



Daily Report

East Europe

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Cabinet Survives No-Confidence Vote in Parliament

*AU1811210093 Sofia BTA in English 2046 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—The non-party cabinet of the economic history professor Lyuben Berov today survived a vote of no confidence proposed by the Union of Democratic Forces (SDS). The motion was defeated in a secret ballot by a vote of 130 to 83 at a plenary attended by 215 MP's of the 240-member National Assembly.

Mr. Berov's cabinet was voted in last December by the Bulgarian Socialist Party, by MP's who split or were expelled from the SDS parliamentary group to form the New Union for Democracy (the fourth parliamentary group), and the ethnic Turks' Movement for Rights and Freedoms (DPS), on whose mandate the cabinet was formed.

The SDS motivated its motion for a no-confidence vote with the cabinet's "antisocial policy." Before the voting the Socialist MP's stated they would support the cabinet. MP's of the DPS and the New Union for Democracy did not take part in the debates on the motion.

This is the fourth SDS motion for a vote of no confidence in the cabinet in less than a year. In the previous votes, also by secret ballot, the cabinet was supported by over 140 MP's.

The SDS parliamentary group today insisted on an open ballot by roll-call but the majority accepted the motion of the New Union for Democracy for secret ballot.

Russia's Kolesnikov Continues Visit

Comments on Joining NATO

*AU1811214893 Sofia BTA in English 2009 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—A signing of a protocol on cooperation between the Russian and Bulgarian Defence Ministries ended the four-day visit here by Russian Chief of General Staff Colonel General Mikhail Kolesnikov. Speaking at a news conference today, Bulgarian Chief of General Staff Army General Lyuben Petrov expressed satisfaction with the project for military and technical cooperation in 1994, signed during the visit.

The talks between the two top military officials focused on the supply of spare parts, of aircraft, helicopter and tank engines, of fuel, lubricants, etc., at affordable prices, General Petrov said.

Regardless of the political changes and economic difficulties facing the two countries, it is the armies' duty to protect their independence, General Kolesnikov said. Asked in what way Bulgarian-Russian contacts in the military and technical sphere could reflect on Bulgaria's

desire to join NATO, the Russian guest replied that entry into NATO could in no way affect the relations between Bulgaria and Russia. But this may prove hard, as NATO would hardly admit Bulgaria as its member before the Bulgarian Army complies with the North Atlantic standards in structure and armament, according to the Russian general.

General Kolesnikov was received by President Zhelyu Zhelev, Prime Minister Lyuben Berov, and Defence Minister Valentin Aleksandrov. The guest also visit military units and installations.

Warns of 'Turkey's Ambitions'

*AU1911145793 Sofia BTA in English 1355 GMT
19 Nov 93*

[Text] Sofia, November 19 (BTA)—Defence Minister Valentin Aleksandrov today informed parliament on his talks with General Mikhail Kolesnikov, chief of the Russian General Staff and deputy defence minister. General Kolesnikov was on a four-day visit here this week. Two MP's of the Union of Democratic Forces asked Mr. Aleksandrov whether the visit and the agreement signed here paved the way for making Bulgaria dependent on Russia again.

Mr. Aleksandrov said he had raised specific military and political issues, mostly related to the Balkan situation, during his half-hour meeting with General Kolesnikov.

The restructuring of the Balkans is not over yet, it will affect more countries, to judge from the mounting aggressiveness of Islamic fundamentalism manifest in Azerbaijan, North Ossetia and the Central Asiatic republics, General Kolesnikov said. The Bulgarian defence minister asked whether this conclusion had been arrived at through reasoning or was based on military-intelligence information, to which General Kolesnikov answered categorically: "Russia has proof of this."

"I believe Bulgaria, the former Yugoslavia and Albania lie within the scope of Turkey's ambitions," General Kolesnikov also said. Mr. Aleksandrov told parliament he had his own view on the issue but declined to comment.

At the meeting General Kolesnikov said the sanctions against Serbia were too tough. (Mr. Aleksandrov said he did not share this view.) In this connection the guest stressed NATO's actions had no future. He said the West and the United Nations were obviously unable to cope with the situation which led to plans for air strikes on Yugoslav military installations and land force operations. General Kolesnikov predicted that such an operation would be a complete failure and would discredit NATO on an international scale.

General Kolesnikov stressed a full disintegration of Yugoslavia would spell disaster for the Balkans and Europe. "I don't think so," remarked Defence Minister Aleksandrov. The Russian chief of General Staff also said the offensive of fundamentalism poses a tangible

threat to the Balkans and other countries, and such a development will not be to Bulgaria's advantage.

Commenting on the plan for cooperation between the Defence Ministries of Bulgaria and Russia, signed by General Kolesnikov and Bulgarian Chief of General Staff General Lyuben Petrov, Mr. Aleksandrov said it only treated initiatives of the Defence Ministries, military-technological cooperation and rear supplies.

Arms Protocol Signed

AU1811201893 Sofia Khorizont Radio Network in Bulgarian 1400 GMT 18 Nov 93

[Text] On 18 November, in the presence of many journalists, Army General Lyuben Petrov, commander of the Bulgarian Army General Staff, and Colonel General Mikhail Kolesnikov, commander of the Russian Army General Staff and first deputy minister of defense, signed a protocol on the issues related to the two Defense Ministries' cooperation that they had discussed in their talks. Gen. Petrov explains the contents of the protocol.

[Begin recording] We discussed the possibilities related to the outstanding debt. However, this issue will be resolved at the governmental level. In this context our governmental delegation led by Deputy Prime Minister Valentin Karabashev, will arrive in Moscow on 22 November, where the two countries' financial accounts will be cleared. We have the total assurance of the Russian Army General Staff that part of this debt will be used to satisfy some of the material and technical needs of the Bulgarian Army.

The second direction of the document relates to the Conventional Arms Treaty. We agreed that some of the weapons that the Russian Army no longer needs will be delivered to Bulgaria and used for updating and refurbishing Bulgarian weapons.

Ends Visit, Comments on Accord

AU1811201993 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 18 Nov 93

[Text] Today Colonel General Mikhail Kolesnikov, chief of General Staff of the Russian Armed Forces and Russian first deputy defense minister, ended his visit to Bulgaria. He and Army General Lyuben Petrov, chief of General Staff of the Bulgarian Army, signed a protocol on the issues they discussed concerning cooperation between the two countries' Defense Ministries.

At Sofia Airport the two generals stressed that the document they had signed is of a technical military nature and relates to supplying the Bulgarian Army with spare parts for its combat equipment and with certain technical apparatus.

Albanian's Meksi Arrives, Views Embargo, Kosovo

AU1711180593 Sofia Khorizont Radio Network in Bulgarian 1700 GMT 17 Nov 93

[Report by correspondent Kalina Stancheva]

[Text] Today Albanian Prime Minister Aleksander Meksi arrived on a visit to Bulgaria.

At his first meeting with his counterpart and host, Prime Minister Berov, Albanian Prime Minister Meksi exchanged views on the general situation in the Balkans and on how to find, by peaceful means, an early solution to problems such as those of Kosovo and maintaining Macedonia's independence.

As a whole, our views on the Balkan situation coincide. We are equally interested in preserving equilibrium in the region. We share a common concern regarding the danger of the Bosnian conflict spreading southwards. Mr. Meksi said at a news conference in the Boyana Residence in Sofia that ended a short while ago.

There is one difference in our views. Despite the fact that it has lost more than \$300-400 million from the embargo, Albania supports further strengthening the embargo sanctions; a cancellation of the embargo would increase Serbian aggressiveness, which is more dangerous for us than the losses. Aleksander Meksi declared at the news conference. However, despite this, we, like the Bulgarian Government, will continue to make representations to the international organizations to ensure a transport corridor through Macedonia to serve our region, he said. We want to restore Albania and raise it from the ruin caused by communism, and for this task we need peace, but naturally we would not permit anyone to apply force or barbaric methods. Furthermore, we do not want the Albanian minority in Kosovo to become a sacrificial victim and we will not permit any ethnic cleansing in this part of the Balkans.

Prime Minister Meksi sees the solution to the conflict in Kosovo as consisting in laying down weapons and then holding peace negotiations, in the presence of a third European state and international observers.

Aleksander Meksi and Lyuben Berov also commented on business interests, including the possibilities for transport links and investments. Incidentally, Prime Minister Meksi and Selim Belortaja, Albanian minister of industry and trade, will further specify their business interests during their visit to companies in Lovech tomorrow and in Pleven on the following day.

Meksi Comments on 'Candid' Talks

AU1811063293 Sofia BTA in English 2050 GMT 17 Nov 93

[Text] Sofia, November 17 (BTA)—"On the whole, Bulgaria and Albania hold identical positions on the situation in the Balkans and the two countries are

interested in peace and stability in the region," Albanian Prime Minister Aleksander Meksi told a press briefing after conferring with Bulgarian Prime Minister Lyuben Berov today. Mr. Meksi arrived on a three-day official visit here earlier in the day.

Mr. Meksi described his talks with the Bulgarian head of government as candid, friendly and productive. The two discussed the situation in the Balkans and the promotion of cooperation between Bulgaria and Albania.

"We live in a rather troubled region and the responsibility for peace and stability in the Balkans is shared by all Balkan countries," Prime Minister Berov said after the meeting. In his view, it is useful for these countries to brief each other on their positions on the matter.

Prof. Berov expressed the opinion that the carnage in Bosnia and Herzegovina is a disgrace for Europe and the hope that the conflict there will be settled soon, said Government Spokesman Raycho Raykov. He quoted Prof. Berov as expressing fears that the borders of Bosnia may be retailored after an ethnic cleansing. The Bulgarian prime minister inquired about Albania's position on a settlement of the problems of the Albanian population in Kosovo. Bulgaria and Albania are interested in an early settlement of the crisis in the former Yugoslavia on the basis of the international instruments guaranteeing human and minority rights, the two prime ministers confirmed according to the government spokesman.

The sides briefed each other on the difficulties of the transition to a market economy, on the losses they sustain from the embargo against Serbia and Montenegro and expressed a desire to promote relations at all levels. It was decided that experts start work on drafting an agreement on investment protection and the avoidance of double taxation, a cultural agreement, and on the establishment of a joint commercial bank.

The opportunities for funding and speeding up work on a project for a transport rail and road corridor between Bulgaria and Albania via Macedonia linking the Black Sea with the Adriatic were also on the agenda. This project was mentioned back in February 1993, when Bulgarian President Zhelyu Zhelev visited Tirana and the two countries signed a treaty of friendship and cooperation.

"We do not want settlement of national conflicts by military force, but we will not allow ethnic cleansing of Kosovo and Macedonia," Mr. Meksi told reporters after the talks. The Albanian Government expresses concern over the risk of the outbreak of an ethnic conflict in Kosovo, where 90 percent of the population is Albanian, Mr. Meksi said. In his view, this may trigger a Balkan war and that is why Albania insists that Albanians in Kosovo and Macedonia enjoy all their due rights. At the same time, Albania declares itself in favour of Macedonia's integrity as this will guarantee stability in the region.

The Albanian prime minister expressed willingness that Bulgaria lift visa requirements for entry clearance of Albanian citizens, something which Albania has already done.

Tomorrow Aleksander Meksi will confer with National Assembly Chairman Aleksandur Yordanov, after which he will visit some plants in the provinces. He is scheduled to meet with President Zhelyu Zhelev before leaving the country on Friday.

Discusses Trade With Yordanov

*AU1911070193 Sofia BTA in English 1516 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—The situation in the Balkans, Bulgaria-Albania cooperation and the difficulties in the transition to a market economy were high on the agenda of the talks between National Assembly Chairman Aleksandur Yordanov and Albanian Prime Minister Aleksander Meksi. The Albanian prime minister arrived yesterday to pay an official three-day visit.

The guest briefed Mr. Yordanov on the progress of the reforms in Albania. They are most successful in farming, trade and some services in towns have also been denationalized, he said. Old technologies impede the privatization of the industrial units, according to Prime Minister Meksi. Albania would hail Bulgarian investments and joint business projects, said Mr. Meksi.

The two sides supported a project for developing a transport link between Bulgaria and Albania and spoke in favour of the promotion of economic and cultural cooperation between the two countries.

Mr. Meksi and Mr. Yordanov voiced concern over the continuing war in the former Yugoslavia and particularly over the possibility for a spill-over of the conflict to Kosovo and Macedonia, which will threaten security in the Balkans.

To promote business contacts between the two countries, Bulgaria can introduce visa-free entry for Albanian nationals, like Albania did for Bulgarians, Mr. Aleksander Meksi said.

Aleksandur Yordanov proposed that Albania and Bulgaria exchange high-level parliamentary delegations and the two parliaments set up standing friendship groups.

After the meeting, Prime Minister Meksi left for the provinces. Yesterday he met with Prime Minister Lyuben Berov. After meeting with President Zhelyu Zhelev tomorrow, the guest will leave the country.

Experts Say 1993 Inflation Between 60-65 Percent

*AU1811161493 Sofia BTA in English 1357 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—Inflation ran at 4.2 percent in October, the National Statistical Institute (NSI) said today. After a relatively stable market and a

low inflation in the summer months, the consumer price index started an upward trend in September. The prices of foods rose a steep 4.6 percent, of nonfoods 4.5 percent and of services 1 percent.

Inflation hit 50.8 percent in the ten months to November. However, annual inflation will hardly exceed the expected 60 to 65 percent, according to Milcho Mladenov, director at the NSI. In spite of a skyrocketing dollar exchange rate, monthly inflation will remain within a 4 to 6 percent margin in November and December, experts say.

Statisticians Report 10.7-Percent Fall in Output

*AU1811141093 Sofia BTA in English 1259 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—The production activity of state- and cooperative-run enterprises is still waning, National Statistics Institute spokesman Dimitur Fratev told reporters today. He reported data on the economy during the first nine months of the year.

The slump of production is put at 10.7 percent since the beginning of the year with industry accounting for nearly two-thirds. Machine building, electrical engineering, electronics and the food industry have sustained the gravest losses.

Goods and services totalling 30 billion leva were sold in October, 5.3 percent down on September. The lack of orders and funds and the insolvency of some of the customers were indicated by Mr. Fratev as hampering most the production activity.

October's retail commodity turnover was 9.4 percent up on September, but was 2.5 percent down on the same month last year. There was a 20 percent rise in the private sector, but it is still incapable to make up for the slump in state and cooperative trade. The turnover share of private businesses is increased by several points every month and is nearing 60 percent, Mr. Fratev added.

Foreign trade barter during the first nine months of the year totalled 140.2 billion leva, National Statistics Institute data read, which is 7.9 percent up on the same period of last year. Current price exports were 64.5 billion leva while import totalled 75.7 billion leva, which is a 11.2 billion leva negative balance. Calculated on comparable prices, the 1993 exports were reduced and this is experienced in all sectors, the National Statistics Institute spokesman commented. Institute data showed that private companies accounted for nearly one-third of foreign trade.

Cabinet Approves Increase in Electricity Prices

*AU1911065993 Sofia BTA in English 1601 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—Electricity prices for household consumers will go up by about 60 percent next year, the cabinet decided at a regular sitting today. The

increase will be phased in as of February 1. The cabinet is expected to consider the proposal for a price rise along with a scheme for compensations to the socially disadvantaged by the end of the month. The cabinet also intends to raise heat energy prices but has not specified any figures yet.

The increase results from the transformation of the liabilities of 18 subsidized and loss-making power engineering companies into public debt, which allows them to continue operating this season. Evgeni Angelov, deputy chairman of the Power Engineering Committee, told journalists at the Government Press Office. Under the cabinet decision, the Energy Resources State Fund of the national budget takes over a 2.660 billion leva debt of Bulgargas Inc. that has to be paid by September 30, 1995. Coal mines and industrial enterprises indebted to the National Electricity Company will be granted 392 million leva. Fresh nuclear fuel supplies will be imported duty-free.

There will be no power cuts this year, said Nikita Shervashidze, chairman of the Power Engineering Committee.

The cabinet adopted draft amendments to the Military Service Act, which envisage reducing the military service from 18 to 15 months. The Defence Ministry will insist that the amendment be passed by year's end as the debates and the passage of the new defence and armed forces act will probably be delayed. Servicemen who have completed 15 months of service by the amendment's entry into force will be immediately discharged, Deputy Defence Minister Grigor Khandzhiev said.

The cabinet extended a 15 million leva interest-free loan to cover privatization expenditures by the end of 1993 at the request of Ms. Reneta Indzhova, executive director of the Privatization Agency. This was necessitated by parliament's failure to approve the agency's programme, as a result of which the agency cannot utilize the available funds.

Foreign Minister Interviewed on FRY Sanctions

*AU1611174393 Kiev HOLOS UKRAYINY in Ukrainian
13 Nov 93 p 4*

[Telephone interview with Bulgarian Foreign Minister Stanislav Daskalov in Sofia by Taras Petriv; date not given: "When the Gate Is Closed, It Is Necessary To Look For Other Ways"]

[Text] *Over the last two years, the relations between Ukraine and Bulgaria have been developing fruitfully, both in the economic and political spheres. However, according to experts, this cooperation could be more effective and profound. I asked Bulgarian Foreign Minister Stanislav Daskalov to share with me his ideas about this.*

[Daskalov] I must say that Bulgaria's present external political priorities are, first and foremost, an integration

within European structures. We are trying to do everything in order that this process could develop as fast as possible. Bulgaria has already made a number of steps in this direction, in particular, in March 1993, it signed the so-called European Agreement with the "Common Market." At the same time, we strive to expand cooperation with neighboring countries. I want to stress that Ukraine is our priority partner. The relations between Ukraine and Bulgaria have very good prospects in all spheres of social life. The conflict in Yugoslavia occupies a special place in the Bulgarian external policy. It is known that Bulgaria, like Ukraine, has suffered considerable losses due to the UN sanctions against the Federal Republic of Yugoslavia. A question has now arisen: Who will compensate us for the lost capital? In my opinion, in this direction, our countries must elaborate common approaches.

At the same time, as a result of the stringent measures against the FRY on the part of the world community, the volume of trade between Bulgaria and other countries has considerably decreased. That is why an intensification of Ukrainian-Bulgarian trade relations and the establishment of sound contacts between entrepreneurs of our countries will be able to somehow compensate for the losses due to the embargo. It is clear that, when the gate is closed, it is necessary to find other ways. Bulgaria already has good experience of economic relations with Turkey and Greece, and the volume of its trade with these country has increased considerably recently. The fact that Ukraine and Bulgaria are Black Sea states is also an important factor in the development of mutually advantageous economic cooperation between them.

[Petriv] What are, in your opinion, the prospects for the recently created organization—the Black Sea Economic Cooperation?

[Daskalov] I think that the idea of such cooperation, proposed by Turkey, is very interesting. That is probably why it has been supported by all Black Sea countries. However, at present, only the foundations have been laid, and we are going through an organizational stage. At the same time, member states of this organization are already elaborating specific projects in some fields. I think that the next meeting of representatives of countries of the Black Sea Basin will be fruitful. Incidentally, Bulgaria is chairing the meetings of the organization during this half-year. As far as I am concerned, a search for ways to intensify economic cooperation between the Black Sea states is continuing within the framework of this structure.

[Petriv] Mr. Minister, what position does Bulgaria presently occupy regarding Ukraine's initiative on the creation of a security and trust zone in Central and Eastern Europe?

[Daskalov] We welcome any initiative meant to strengthen peace and stability on the European continent. This is our state's fundamental position.

[Petriv] Complex processes are presently under way in Russia. They make a considerable effect on the situation in Europe, in the world, and, in particular, in the countries bordering upon Russia....

[Daskalov] I want to stress right away: The main point is that those processes should proceed in the direction of democratization. We attentively follow the events in that country and hope that new parliamentary elections will be held soon and will be followed by democratic transformations.

[Petriv] Thank you for the interview.

Daskalov Asks Europe To Make Up Embargo Losses

*AU1911071093 Sofia BTA in English 2021 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—In connection with the extraordinary sitting of the European Union Council on former Yugoslavia, due to be held on November 22, Foreign Minister Stanislav Daskalov sent a message to Belgian Foreign Minister and Council President Willy Claes, the Foreign Ministry Press Office reported. The message stresses the need to compensate Bulgaria for the grave losses it is sustaining as a result of its strict implementation of the UN Security Council sanctions against Serbia and Montenegro.

The European Union could play a major role and find an adequate form to consider this issue within the European Union Council at its forthcoming sitting, the letter says. He says compensations could include measures to relieve the national economy's dire straits, a speeding up of the ratification of the European agreement on Bulgaria's association with the EC and an immediate entry into force of the interim agreement on trade.

EC Coordinator To Study Effects of Sanctions

*AU1811063193 Sofia BTA in English 1951 GMT
17 Nov 93*

[Text] Sofia, November 17 (BTA)—Ambassador Antonio Napolitano, regional coordinator of the European Community and the Conference on Security and Cooperation in Europe on the UN Security Council Sanctions against Serbia and Montenegro, arrived here today to familiarize himself with the impact of the application of the Yugo-embargo on Bulgaria's economy. It is the first time the United Nations implements such "tough sanctions," but their enforcement is decisive for the avoidance of military intervention, Ambassador Napolitano said after conferring with Foreign Minister Stanislav Daskalov. Invoking Article 50 of the UN Charter, he said Bulgaria and the other countries affected get compensation.

At the meeting, Foreign Minister Daskalov stressed three issues. The first was related to the embargo-enforcement measures which Bulgaria is undertaking and to certain additional requirements for control of the import and

export of petroleum products. Mr. Daskalov expressed Bulgaria's firm intention to allow no violations in this respect, Deputy Foreign Minister Todor Churov, who also attended the meeting, told reporters. The second issue was related to the information about public sentiments on the UN sanctions in this country. Third, the Bulgarian foreign minister called on the EC and the CSCE to back Bulgaria in its effort to obtain compensation for the losses arising from the Yugo-embargo and stressed the government's intention to carry on the strict application of the sanctions.

At another meeting, Mr. Napolitano and Transport Minister Kiril Ermenkov concentrated on certain infrastructural projects intended to mitigate urgently the adverse effects of the UN sanctions.

EC Coordinator Praises Enforcement of Sanctions

*AU1911070093 Sofia BTA in English 1547 GMT
18 Nov 93*

[Text] Sofia, November 18 (BTA)—Talking to Customs Chief Khristo Kulishev, visiting Ambassador Antonio Napolitano, regional European Community/Conference on Security and Cooperation in Europe coordinator on sanctions on Serbia and Montenegro, commended Bulgaria on its strict enforcement of the sanctions.

"We are pleased with the complete understanding for the undeserved losses sustained by Bulgaria as a result of its implementation of the sanctions," said Mr. Kulishev. Ambassador Napolitano raised a hope of Bulgaria's receiving just compensations for its strict implementation of the UN Security Council resolutions. Spending two hours at the Kalotina Checkpoint yesterday, Ambassador Napolitano was familiarized with the work of customs officers.

Mr. Kulishev said extra measures will be taken to reduce the outflow of liquid fuels to Serbia and Montenegro. "The EC will provide help, supplying two tanks and vacuum pumps to store confiscated oil products. It will also grant money to improve the infrastructure at a number of border crossings," he said.

National Assembly Passes Tobacco Act

*AU1811062793 Sofia BTA in English 1806 GMT
17 Nov 93*

[Text] Sofia, November 17 (BTA)—Today parliament voted conclusively a Tobacco and Tobacco Goods Act which regulated the key matters related to the production, purchase, industrial processing and trade in tobacco and tobacco products. This legislation had to be enacted because the effective law, adopted in 1947, is inconsistent with the new economic and market environment.

The new act creates conditions for decentralization and monopolization of the production of tobacco and tobacco goods, for influx of private investment and

competition in production and trade. In order to safeguard Bulgarian interests in the international tobacco markets, the state reserves exclusive right to grant licences for the production of tobacco goods and for trade in tobacco and tobacco goods. According to the statute, import of tobacco and tobacco products is subject to permission from the Council of Ministers. The export of untreated and unfermented tobacco is prohibited. After a heated debate, the MP's voted a ban on any advertising of tobacco goods outside the enterprises where they are produced and outside the outlets where they are retailed.

To protect local producers' interests, the law-makers made provisions for minimum purchase prices which will be determined by the Council of Ministers by January 31 annually, as well as for certification of tobacco with the participation of independent experts. A Tobacco State Fund was established to assist tobacco growers.

The MP's argue that the new legislation will help stabilize the tobacco industry after a steep decline of tobacco production in the last few years. Tobacco output has plummeted from 150,000-160,000 tonnes in 1982 to some 45,000 tonnes in 1993.

Commentary Analyzes Zhelev Dismissal of Adviser

*AU1811104293 Sofia KONTINENT in Bulgarian
16 Nov 93 p 6*

[Commentary by Genka Markova: "The Policy of Open Drawers"]

[Text] General Stoyan Andreev, President Zhelev's adviser on national security matters, has been relieved of his post, but the public at large remains unaware of the reasons for this dismissal. He is neither the first nor the last high-ranking civil servant to step down from the political stage.

Nevertheless, the manner in which he was dismissed is typical of a certain Bulgarian tradition, tainted with the shade of "Balkan style" customs. The reasons for promoting a certain individual to the rank of adviser in the high echelons of power are sometimes incomprehensible, but it is even more interesting to observe that, having attained this exalted position, some of the advisers in question like to imagine themselves in the role of puppeteers trying to pull the strings. They begin to shuffle the cards and to lay out the most preposterous games of patience. As soon as they seem to lose the jack, they start dreaming of subversive state coups and telling the whole country about their dream the next morning, while the morning after that they play the role of savior of the nation.

While the average citizen is much too engrossed in the struggle for his own biological survival and the politicians are much too busy minding their own careers as the state's leading figures, the adviser is left undisturbed to

play his role of a clever wizard, and continues to "advise," as long as he is not forced to leave.

Nevertheless, the very moment of his dismissal is his hour of glory, because this is precisely the occasion when he can start his policy of opening drawers. He can pull out all those damaging secret files, of which there are more than enough in our country.

General Andreev did not depart from the tradition. As soon as he banged the door of the president's office, which he was forced to leave, he began to spread insinuations and doubtful arguments of self-justification. He has not yet opened his drawers full of compromising personal files, but he is expected to do so soon. Hence, we should not be surprised that in all the cases of high-ranking civil servants being relieved of their posts, their new appointments to other positions have already been decided in advance, before the decree on their dismissal is even signed, so as to prevent them from opening their drawers and pulling out secret files. This is what I call the Balkan tradition.

Daily Warns of Escalating Ethnic Conflict

AU1811105593 Sofia KONTINENT in Bulgarian
16 Nov 93 p 6

[Editorial: "At Bulgaria's Expense"]

[Text] Adem Kenan [leader of the Turkish Democratic Party] demands that Bulgaria should be turned into a federation of "Bulgarian and Turkish republics." After several years in office as chairman of the ethnic Turks' Rights and Freedoms Movement [DPS] Ahmed Dogan is already doubting that the Pomaks [Bulgarian Muslims in the Rhodope region] have anything in common with Bulgarians. Mehmed Khodzha [one of the DPS leaders], on the other hand, insists that the population that identifies itself as being of Turkish origin should be granted a "national minority" status.

According to the latest reports, Bulgarians and Muslims in the Rhodope area have announced that they are in a state of increased combat readiness and are even rearming. We should not be surprised if things should escalate so far as to provoke an armed conflict, and so forth....

All these events are taking place at Bulgaria's expense, as a result of the passive attitude manifested by the authorities, which are not paying any attention whatsoever to the recent increases in separatist declarations and demonstrations, as well as the alarming deterioration in relations between Bulgarians and Muslims in those areas with mixed populations. The authorities have hardly noticed the illegal attempts by hodjas to expel female students who do not wear headscarves from classes.

The president, the prime minister, the chief prosecutor, and the minister of internal affairs are obviously waiting to be summoned for consultations "to a certain embassy," where they would be instructed what to do in

such cases. In exchanging experience, they would be told how "civilized" countries deal with people who evidently try to split the state.

U.S. Ambassador Montgomery has every reason to be happy. He did not suffer any consequences as a result of his demand to amend the Bulgarian Constitution.

Evidently, the new U.S. ambassador not only speaks the Bulgarian language, but is also familiar with the proverb: "The fool asks for much, but it is a bigger fool who grants it."

Commentary Describes NATO Debate as 'Nonsense'

AU1811114393 Sofia KONTINENT in Bulgarian
15 Nov 93 p 6

[Commentary by Atanas Matev: "Dangerously Vulnerable"]

[Text] In the latest "Panorama" Program on National Television [on 13 November] it was quite seriously suggested that a large-scale referendum be conducted in Bulgaria on whether or not our country should join NATO.

The proposal could be dismissed as a joke, but there is something infinitely sad about the issue as a whole.

It is really sad that, recently, several Bulgarian journalists, active, as well as self-appointed, politicians, and diplomats have seriously demanded, on all occasions, that Bulgaria should be accepted as a NATO member, if not today, then at least in the near future, so as to obtain guarantees for our security and so that our country may live in relative peace amid the stormy conflict that has been upsetting the Balkan peninsula, following the end of the Cold War.

It is even sadder to realize that all those politicians, journalists, and diplomats should be perfectly aware that they are talking nonsense, at least on account of the numerous unmistakable hints dropped by NATO circles that, for various reasons, the organization does not intend to accept any Eastern European countries as members in the near future.

Why are all these meaningless stories being told, given the circumstances? What are they based upon? Are they the results of professional incompetence, of the striving for cheap publicity in trying to attract more voters, or of a certain, widespread disease in current Bulgarian political circles, which is characterized by the habit of making authoritative-sounding statements that are totally unfounded.

God knows.... Nevertheless, while the meaningless exercises and the fruitless debates on whether Bulgaria should or should not be a NATO member, the state of our country's security remains unchanged, namely dangerously vulnerable.

General Petrov Denies Army To Cut Officer Corps*AU1911070893 Sofia BTA in English 2031 GMT
18 Nov 93*

["Army Will Not Lay Off Officers, Says Chief of General Staff"—BTA headline]

[Text] Sofia, November 18 (BTA)—There is talk of cuts of officer personnel at a time when the army actually needs 5,000 officers and sergeants, the chief of General Staff of the Bulgarian Army, Army General Lyuben Petrov, told the press. Cutting 2,000 officers and sergeants will hardly save money and such reports in the press lead only to instability in the army and insecurity for the people who have to protect national security, said General Petrov, commenting on recent reports in the Sofia dailies.

To preserve the army in this hard economic situation, we are cutting administrative personnel, streamlining structures and cutting the time to serve in the army. This underlies the amendments to the Conscription Act, passed by the government today, said the general.

Today the government cut the time to serve in the army to 15 months. Recently Defence Minister Valentin Aleksandrov said on national television that the army's finances were in desperate straits.

Parties Raise Issue of Territory Ceded to Serbia*AU1611203793 Sofia BTA in English 1754 GMT
16 Nov 93*

[Text] Sofia, November 16 (BTA)—A demonstration will be staged in front of parliament building on November 26 to mark the anniversary of the 1919 Treaty of Neuilly, said Lyubomir Ivanov, vice-chairman of the extraparlimentary Green Party. The protest action is organized by the Initiative Committee of Refugees from Western Thrace, the Association of Thracian Societies, the Internal Macedonian Revolutionary Organization, and the Green Party. The organizers insist on the passage of a law granting full compensation to refugees from western Thrace and their heirs.

The anniversary prompted several political forces to raise the issue of the Western Outlands, an area of 11,278 square kilometres, ceded to the Serb Kingdom under the Treaty of Neuilly after Bulgaria's defeat in World War I.

The Will for Bulgaria Movement, the Social Democratic Party and the Academic Forum for National Policy are going to send an official message to President Zhelyu Zhelev, expressing their position on the question of the Western Outlands. They are asking whether new Yugoslavia, a country which did not exist when these territories were taken from Bulgaria, has the right to keep the Western Outlands within its borders at present. The

document has already been submitted to Prime Minister Lyuben Berov and National Assembly Chairman Aleksandur Yordanov.

TDP Leader Calls For Bilingual 'Federation'*AU1711122793 Sofia TRUD in Bulgarian 10 Nov 93
pp 1,2*

[Interview with Adem Kenan, leader of the Turkish Democratic Party, by Mehmed Khodzha; place and date not given: "We Are Struggling For Bulgaria's Transformation Into a Federation and For the Introduction of Turkish as an Official Language"]

[Khodzha] Mr. Kenan, what was the reason for establishing the Turkish Democratic Party [TDP], despite the existence of the Rights and Freedoms Movement [DPS], which is a similar organization? As a matter of fact, yours is an illegal party with hardly any chance of being officially recognized in the near future, under the currently valid Constitution.

[Kenan] The DPS, to the establishment of which I actively contributed, was originally intended to defend the specific rights of the Turks and Muslims in Bulgaria. In the long run, however, the party's program was stripped of all Turkish elements and turned into a general civil rights party, which is hardly what the Turks need. After the DPS leaders betrayed their electorate in the most outrageous manner, someone had to fill the vacuum, and this is precisely what the TDP stands for.

The fact that we are not officially recognized as yet should be entirely attributed to the leaders of the DPS because we have emerged as their major opponents. Nevertheless, I am convinced that all decent Turks are on our side, because we are the only true protectors of their interests.

[Khodzha] What are your goals? How many and what kind of people are members of your party?

[Kenan] Like all national minorities we are pursuing the goal of national self-determination and self-preservation. This is precisely what the Bulgarians in Serbia are striving for today. Basing ourselves on international documents and being aware of our actual rights, we are struggling to transform Bulgaria into a federation with two officially recognized languages. So far we can rely on the support of more than 10,000 members from the class of simple blue-collar workers, as well as from the wide circle of the ethnic Turkish intelligentsia. As far as the second group is concerned, I must admit that we accept them only after a thorough investigation, because we realize that they were manipulated by the former State Security, and that they turned from Turkish into Bulgarian intellectuals who betrayed their own people. They are admitted only after voluntarily and fully disclosing their own past.

[Khodzha] Nevertheless, your statement sounds rather shocking. According to your ideas, it would be logical for our neighbor country Turkey to grant full autonomy to the Kurds?

[Kenan] No international document whatsoever has ever defined the Kurds as a minority. They are Balkan Turks. Things are quite different in this country. The Bulgarian Constitution of 1947 describes us as a Turkish minority.

[Khodzha] Do you have any contacts with foreign politicians, and what is their attitude toward you? According to rumors, your party is financed by Turkey, so, generally speaking, can you say who is supporting you?

[Kenan] I have met numerous politicians so far. Even the fact that all foreign embassies in Sofia accepted a copy of my still unpublished book a few days ago shows that they view our activities favorably. In my book I described in detail the misfortunes and the assimilation of the Turkish minority in Bulgaria.

It is true that I have had a personal meeting with the Turkish President Suleyman Demirel, but it does not mean that Turkey is granting us financial support. So far, we have not received a cent from them, although I do hope that we may rely on their financial assistance in the future.

[Khodzha] What are your relations with Ahmed Dogan and with the DPS whose leader he is.

[Kenan] I consider Ahmed Dogan as a traitor, who has betrayed the interests of the Turks in Bulgaria for the sake of his own benefit. He maintains that we are products of the five-century-old Ottoman domination in

this country and that our original roots are Bulgarian. The new Constitution is based on a declaration of this kind which he made in Parliament on 17 July 1990. This Constitution is a genuine Bulgarian national chauvinistic Constitution, as a matter of fact.

If the DPS leaders should continue to make statements of this kind, their party is hardly likely to obtain the wide support of the Turks at the next elections.

[TRUD editorial note]: "Kenan Is Asking For the Public Prosecutor"

Members of parliament are convinced that the actions of the illegal Turkish party, registered as an economic organization, are likely to provoke the interference of the Public Prosecutor's Office. If the Prosecutor's Office obtains more detailed information on Kenan's subversive intentions by the head of the Chief Prosecutor's Press Center, it is expected to start an investigation, according to A. Ganev, head of the Legal Investigation Department. Yesterday, Ms. Brazitsova, head of the Press Center, had not yet briefed the chief prosecutor on the TRUD interview.

Mehmed Khodzha (DPS member) defined the idea of Bulgaria's federal division as an abstract delusion. Nevertheless, he is resolved to strive for the granting of minority status to the Turkish population. Yunal Lyutfi [DPS] refused to comment on something "that does not exist in the legal sphere," while Ahmed Dogan was categorical in dismissing people who are none of his concern! If someone is crazy, but not ready for the psychiatric ward, he should at least be restrained by removing him from the Parliamentary National Security Commission, of which he is still a member.

Klaus on Achievements of Coupon Privatization

AU1811085293 Prague HOSPODARSKE NOVINY in Czech 15 Nov 93 p 2

["Ska"-signed report: "In the Process of Transforming the System, the Role of Coupon Privatization Is Essential, Klaus Says"]

[Text] The transformation of the system of the communist totalitarian society to political pluralism and the market economy was the topic of the opening lecture by Prime Minister Vaclav Klaus at a session of the Czech Economic Society in the Main Hall of the Prague School of Economy on Friday [12 November]. According to the prime minister, the results and experience of the past four years justify a certain generalization and the writing of the first handbooks entitled How To Transform a Communist Country to Normal European Conditions.

The most important aspect, according to him, is that this ongoing process in the Czech Republic cannot at all be compared with what is happening in the Western states. The prime minister emphasized that the system transformation is not perestroika but rather a fundamental change of the ownership rights and the role of the state oriented towards the creation of a market and opening itself to the world. In the process, the prime minister attributes to privatization a fundamental significance that is nevertheless completely different from similar endeavors in the countries with a working market economy. If there it is a matter of state business with the objective of optimum yield, in the Czech Republic, the predominant thing is the effort to find a suitable owner as quickly as possible that will execute the optimum restructuring. This fact has been understood in our country better than elsewhere, and therefore the coupon privatization became the catalyst of the entire transformation process. The prime minister also characterized several additional principal theses of the transformation—the macroeconomic stabilization must be achieved before the concurrent liberalization of prices and foreign trade. A considerable devaluation of the currency, accompanied by its internal convertibility, must definitely precede the liberalization of foreign trade. At the same time, the prime minister described the exchange rate as the basis for all macroeconomic quantities, which must be the anchor on which everything else depends.

To the critics of liberalization, who point out the level of real income below that of labor productivity, and the exchange rate of the koruna below purchasing power parity, Vaclav Klaus addressed the following statement: "They are right, it really is so, but they are wrong in saying that it is an error. The opposite is true." At this stage, according to the prime minister, real wages and the real exchange rate must be relatively low, and they serve as two cushions for bridging the privatization and restructuring period.

Ministry Extends Coupon Registration to 23 Nov

AU1911110193 Prague CTK in English 2131 GMT 18 Nov 93

[Text] Prague, Nov 18 (CTK)—The deadline for the registration of investment and mutual privatization funds in the second wave of coupon privatization has been extended to November 23, announced the Ministry of Finance.

The original deadline was November 15.

The term was extended in connection with the government's decision on Wednesday to prolong the period for citizen registration in the wave by one week, to December 8.

So far 345 funds have signed up to participate.

Dates Altered for Second Privatization Wave

AU1811085493 Prague CTK in English 2041 GMT 17 Nov 93

[Text] Prague, Nov 17 (CTK)—The Czech Government decided that December 31 would be the deadline for submission of closing balances of companies listed for the second wave of the coupon privatization. Czech Premier Vaclav Klaus announced after today's government session.

He did not say when the second wave would begin but admitted it would undoubtedly be delayed. Until now, the term most frequently mentioned has been the beginning of February.

The closing balances are required for accurate appraisal of the assets of companies to take part in the second wave. A list of those must be published before the start of the first round, when coupon holders and funds will begin to make investments.

Due to the fact that companies refused to accept November 30 as the deadline for the closing balances, Tomas Jezek, chairman of the National Property Fund, proposed to start the first round on March 1.

The government also decided to prolong the term for registration of citizens for the second coupon privatization wave by one week, so that citizens would have the chance to register until December 8. The pre-round of the second wave will start December 15.

Controversies Over 1994 'General Agreement'

AU1911111693 Prague CTK in English 2113 GMT 18 Nov 93

[Text] Prague, Nov 18 (CTK)—The first reading of the "General Agreement" for 1994 today was very complex and the negotiating parties' views of a number of questions differed essentially, Czech Labor and Social Affairs Minister Jindrich Vodicka said.

The General Agreement is concluded every year by the Council For Economic and Social Agreement (RHSD), also referred to as Tripartite, which consists of representatives of government, unions and employers. It aims to preserve social peace during the period of transition from the central command economy to a market system.

Controversies prevail between the government on the one hand and its social partners on the other, and also between unions and employers, RHSD secretary Petr Pavlik said.

Vodicka told CTK that the same group of people would meet again next week. The biggest differences of opinion concern wages and collective agreements, he added.

The Deputy Chairman of the Czech and Moravian Chamber of Trade Unions (CMKOS), Vaclav Vanek, said that the General Agreement had to give some certainties to the social partners.

We will not be loyal to a state which is rich, to say the truth, but which has a big number of poor people. These are the main motifs behind our resolve not to yield. Social peace must give guarantees to the employees who shoulder the brunt of the reforms, Vanek said.

The RHSD will meet again on November 25, Pavlik said.

North Bohemia Exceeds Prague in Unemployment Rate

AU1811141193 Prague CTK in English 1124 GMT
18 Nov 93

[Text] Usti nad Labem, North Bohemia, Nov 18 (CTK)—The North Bohemian region and the city of Prague have an almost equal number of inhabitants, but in North Bohemia the unemployment rate is almost twelve times as high, the director of the Regional Statistical Office in Usti nad Labem told CTK today.

However, there were greater opportunities for young people on the North Bohemian employment market, especially for those who had secondary education to the age of 18 or higher education, he said. At the end of October, employment offices in north Bohemia had only 75 higher education students recorded as looking for work, which was the least in all the regions of the Czech Republic.

Nationally, graduates form almost five per cent of the unemployed and school leavers 35 per cent, while in North Bohemia they form 2.5 and 28 per cent respectively. However, young people in North Bohemia with only a basic education followed by an apprentice school at age 18 form a third of those looking for work.

U.S. Military Transports to Yugoslavia Discussed

AU1811083893 Prague CTK in English 2120 GMT
17 Nov 93

[Text] Prague, Nov 17 (CTK)—The Czech Republic would receive about 50,000 German marks for each train carrying supplies across the country to the U.S. Army should the UN Security Council decide to deploy troops in Yugoslavia, deputy general director of Czech Railways Jan Zenkl said today.

Zenkl said that representatives from the countries which transports would cross on the way to Yugoslavia met U.S. Army officials on October 19-21 in Amberg, Germany, to discuss technical and tariff matters.

If NATO forces were to be deployed, Zenkl said there would be another meeting with U.S. Army officials to agree on the number of transports to cross the Czech Republic. They had provisionally agreed upon twelve a day, he said.

Escort for Transports Discussed

AU1811150093 Prague CTK in English 1238 GMT
18 Nov 93

[Text] Prague, Nov 18 (CTK)—The number of escorts for the U.S. transports which would carry military supplies across the Czech Republic if the U.N. Security Council decides to deploy military equipment to the former Yugoslavia has not yet been decided by the Czech Defense Ministry, Colonel Jiri Kal from the Czech Army General Staff today told CTK.

He said the Ministry has not yet been officially charged with the task.

Czech Army representatives participated in talks on the probable transport of NATO military equipment via Czech territory which were held at the Czech Railways' general directorate. The General Staff was currently preparing an information report for the Defense Ministry on the basis of these talks, Kal said, adding that the whole action should be undertaken in 1994.

Jan Zenkl, government commissioner for extraordinary transports and deputy general director of Czech Railways, said that the date of the action would be decided by the U.N. Security Council.

He said that Czech and Slovak Railways would receive about 50,000 German marks for each train to cross the Czech and Slovak Republics, adding that twelve trains a day have been provisionally considered.

Government Approves Bill on Arms Exports

AU1711193693 Prague CTK in English 1844 GMT
17 Nov 93

[Text] Prague, Nov 17 (CTK)—The Czech Government today approved a military equipment export bill, Czech Premier Vaclav Klaus told a press conference today.

The bill, expected to be discussed in parliament soon, contains conditions for granting licenses for weapons trade, for approving trade deals, and for imposing sanctions in cases of failure to keep to legal regulations.

The fines may be as high as five million crowns, and as high as 30 million crowns if the country's interests are damaged, according to Klaus' spokeswoman, Klara Pospisilova.

Licenses would be granted to arms dealers and, in addition, for each specific contract separately. The contract would be required to clearly state the amount and type of exported material, as well include a written statement of the foreign partner's will, said Pospisilova.

Klaus said he believed the law would improve the Czech Republic's image abroad, and refute criticisms of manipulations with weapons in the Czech Republic, which have appeared in some foreign media.

HTT Group Negotiating Sale of Tamara Radar

AU1811114593 Prague MLADA FRONTA DNES in Czech 17 Nov 93 p 1

["km, hc"-signed report: "In the Gulf They Are Interested in the Tamara Radar"]

[Text] The HTT Group, manufacturer of the Tamara radar, the Czech top-quality air defense system capable of detecting even the renowned "invisible" American-made Stealth bomber, intends to export this product to certain Persian Gulf countries. MLADA FRONTA DNES was informed of this from diplomatic sources.

HTT Group President Oldrich Barak confirmed this news. He refused, however, to tell us which countries the firm is negotiating with. Nevertheless, he emphasized that they only considered the countries that do not present a risk from the international point of view. Oldrich Barak emphatically denied the reports carried by the German paper SUDETENDEUTSCHE ZEITUNG and the American weekly DEFENSE NEWS that Tamara is to be exported to Iran. The diplomatic sources stated that if only for Iran's insolvency, the export to that country is not a realistic proposition.

Representatives of the Ministry of Industry and Trade confirmed that this year an export license for the Tamara radar has not yet been issued to anyone.

According to our findings, the speculations in the Western press might have originated in the consultations about the possibility of selling Tamara to Iran conducted at the beginning of the year by the representatives of then manufacturer of the radar, Tesla Pardubice, and the representatives of the Ministry of Industry and Trade.

Tamara is an apparatus capable of detecting aircraft undetectable by ordinary radars. It is in a way an alternative to the American AWACS early warning system, but it works on a different principle. As opposed to the active radars, which send signals into space and evaluate their reflection, Tamara only receives radio impulses from the ether.

Particularly the Mid-Eastern countries, such as Iran, Iraq, or Syria, are interested in Tamara as the AWACS system is inaccessible to them.

Parliament Ratifies Customs Accords With Czechs

*AU1911071593 Prague CTK in English 1643 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)—The Slovak Parliament today ratified the Czech-Slovak agreements on the easing of customs clearance procedures for road and rail traffic at the border and on temporary authorization for entrepreneurs working in the other country since Czechoslovakia split on December 31, 1992.

Slovak Finance Minister Julius Toth said that the new customs regulations contained in the agreement were a basic pre-requisite for preventing of customs duty and tax evasion. He said the agreement was economically advantageous because henceforth there would be only one set of procedures at the border, which would speed up and simplify operations.

The agreement was signed by the Czech and Slovak finance ministers on March 30 during President Michal Kovac's first visit to the Czech Republic.

The agreement authorizing a citizen of one country to continue entrepreneurial activity in the other was signed by the countries' justice ministers on October 29. The authorization is valid until June 30, 1994. The entrepreneurs are first obliged to sign the commercial register by the end of this year.

Union Leaders Complain to President

*AU1911071493 Prague CTK in English 2044 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)—Slovak President Michal Kovac today received representatives of the KOVO trade union who informed him of fear returning back to factories.

The KOVO trade unions, established in April 1993, associate some 250,000 members from mechanical engineering, metallurgy, and electrical industry.

We reported to the president on the atmosphere prevailing in the enterprises. We told him that people started again to be afraid of telling the truth because if they criticized anything they would be the first to be fired, KOVO Chairman Jozef Krumpolec told journalists. He likened the situation to that under the toughest totalitarian rule.

The union leaders told Kovac that some companies were lacking money for energy, material, or even wages, while the bad financial situation was spreading like a wildfire, Krumpolec said.

Restrictive Budget Measures To Be Introduced

*AU1811082493 Bratislava REPUBLIKA in Slovak
15 Nov 93 p 2*

[TA SR report: "Restrictions Imminent"]

[Text] Bratislava—The development of the basic macroeconomic indicators—above all, the decline in GDP—caused the Slovak Republic's budget figures to differ from the plan. The budget deficit of 15.9 billion Slovak korunas [Sk] at the end of September climbed to Sk16.8 billion by the end of October. This is what follows from information on the Slovak Republic's budget figures. The National Economy and Budgetary Committee of the National Council of the Slovak Republic debated the budget yesterday at the conclusion of its three-day meeting.

The low budget revenue is caused by low amounts collected from insurance funds and income tax from companies and self-employed individuals. Revenue from the income tax collected from companies and self-employed individuals shows the largest deficit. On the contrary, the revenue from income tax shows the best results. Due to the unfavorable budgetary figures, strict regulations of budget spending remain in force. There are monthly limits on individual items in the budget, which limits represent up to 6 percent of the yearly figure.

Government Returns Draft Budget for Revision

*AU1911104293 Prague CTK in English 1554 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)—An extraordinary session of the Slovak Government today returned to the Finance Ministry a draft budget for 1994 to be fine-tuned, the director of the Government's Press and Information Department, Ondrej Hanko, said.

The budget was the sole point on the agenda of today's session.

Parliament Approves 6-Percent Pension Increase

*AU1911104693 Prague CTK in English 1636 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)—Old-age pensions, as well as disability, widow, and orphan pensions set before January 1, 1994, will increase by six percent, according to a law passed by the Slovak parliament today.

The law will take effect on December 1, 1993.

The parliament asked the government to present a proposal for adjustment of the pensions to be set after January 1, 1994. It recommended the government also to prepare a bill to enable automatic adjustment of pensions according to the growth of average wages.

Parliament Rejects Government Report on Environment

*AU1911110393 Prague CTK in English 2128 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)—Fifty-five percent of Slovakia's population live in a polluted environment and

41 percent even in a heavily polluted environment, a report on principles of the Slovak Government environmental policy says.

The report, which was presented by Environment Minister Jozef Zlocha to parliament today, states that living in polluted areas brings about a high incidence of diseases and high rate of mortality and has an adverse effect on life expectancy which is five to seven years shorter than in advanced European countries.

The report defines five priorities of the environmental policy and sets short-term, medium-term and long-term objectives.

The parliament, however, returned the report to government to complete it. The deputies noted that the document did not specify the responsibilities of ministries for the specific moves and did not define financial resources for their realization.

Cernak: Votes Against Coalition Partner 'Normal'

*AU1811161393 Prague CTK in English 1344 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)— The most current issues on the domestic scene are the problems of horizontal integration of state administration, the territorial administrative division of Slovakia, and the state budget for 1994, Slovak National Party (SNS) Chairman Ludovit Cernak said at a press conference today.

The central point in talks between the SNS and its coalition partner, the Movement for a Democratic Slovakia (HZDS), which are to be held on Monday [22 November], will be the prepared budget proposal for next year, Cernak said. The government is to submit just one proposal to parliament. The SNS will push for a budget that ensures the minimal functioning of all, especially social, departments, he said.

Cernak also said that parliament's vote of no-confidence in Minister of Health Viliam Sobona (HZDS) Wednesday was a free decision. He characterized the vote of no-confidence in a coalition minister, for which several coalition deputies also voted and which took place shortly after the formation of the coalition, as normal, adding that it would have been possible to avoid this step during coalition talks.

Cernak said that the first steps taken by the SNS show that it is capable of playing a role of partner, and not vassal within the coalition.

He declined to say whether his party, as a coalition partner, minded that Minister of Culture Dusan Slobodnik was sitting in the government even though a court had confirmed that he had frequented a terrorist course of German espionage and had been member of the pro-fascist youth union in the war-time Slovak state.

Carnogursky: Coalition With Ex-Communists Possible

*AU1811161293 Prague CTK in English 1349 GMT
18 Nov 93*

[Text] Bratislava, Nov 18 (CTK)— The Slovak Christian Democratic Movement (KDH) does not rule out a tactical union with the Democratic Left Party (SDL) under certain conditions and in the interest of Slovakia's salvation, KDH Chairman Jan Carnogursky told CTK today.

If Slovakia is too badly off, a coalition between the KDH and SDL plus some other party would be possible, the former Slovak premier said.

He said that the KDH and SDL were the two parties in the Slovak Parliament which were characterized by a rational view of problems and by the pragmatic search for solutions. These are two parties which have a definitive orientation and are stable and have the widest membership of all of Slovakia's political parties, he said. Carnogursky stressed, however, that ideologically the two parties were different, even diametrically opposite.

He said that such a union would be explained to KDH members not by political arguments but rather by the acute difficulties and problems Slovakia would experience. Carnogursky stressed that even the current constantly worsening situation in Slovakia would not be a sufficient argument to convince KDH members of the need for such a union. The only argument would be a threat of a complete collapse, he added.

He said that the difference in views between the two parties as regards economic policies were not big, except concerning agriculture. Such a coalition could certainly be only temporary, to last until the new elections, either standard or early. Very controversial points on which an agreement could not be reached would be postponed for the time after the elections, Carnogursky said.

Antall Proposes New MTI Chief to President

AU1911134793 Budapest MTI in English 1030 GMT 19 Nov 93

[Text] Budapest, 19 Nov (MTI)—Prime Minister Jozsef Antall on Thursday proposed to President Arpad Goncz that he approve the appointment of Karoly Alexa, 48, as director-general of the Hungarian News Agency (MTI) for a three-year term as of November 22, 1993. Government Spokeswoman Judit Juhasz said at her Thursday evening press briefing.

On Thursday morning, the vast majority of Parliament's Cultural Committee, which must examine the suitability of the prime minister's choice, agreed with the appointment of Alexa.

Alexa told the committee he believed the National News Agency would continue as a public service institution independent of political parties. Referring to his current post as member of the national board of Hungary's main ruling coalition party, the Hungarian Democratic Forum, he said he was able to distinguish between party-aligned politicking and public service activity.

Asked about MTI's future work, Alexa thought it would be a grave mistake to intervene in the agency's present operation and structure. He stressed continuity was guaranteed by the prime minister extending the term of MTI's deputy directors-general for another three years, and also by his counting on the current director-general to work as an adviser.

Alexa said he attached great importance to MTI from the point of view of national publicity.

However, opposition members on the Cultural Committee criticised Alexa's nomination saying his affiliation to a ruling party could threaten the independence of the news agency.

In response to criticism of the appointment, the spokeswoman read out the prime minister's position: "It is absurd and unconstitutional even to suggest that membership in a ruling coalition party can be grounds for disqualification.

"Characteristically, the political forces that now voice their reservations had no objections to previous appointees with earlier affiliations to opposition parties that took constitutional posts, such as Hungary's president and the constitutional court president.

"The government maintains that a candidate's party membership can be cited as a reason for disqualification for a post only if it is stated as such by the law. Such a proposal otherwise is unconstitutional. Experience shows that where an adequate sense of responsibility exists, earlier party affiliations do not have a negative influence on the work of those in posts that cannot be held by party members."

Defense Official Praises Slovak-Romanian Treaty

AU1811082293 Bratislava NARODNA OBRODA in Slovak 11 Nov 93 p 4

[TA SR report: "A Favorable Assessment From Budapest"]

[Text] Budapest—Military treaties between the states in our region reinforce its stability and are a good example of regional cooperation. Csaba Kiss, head of the Defense Policy Section at the Hungarian Defense Ministry, said this to a permanent TA SR correspondent replying to the question as to his assessment of the Slovak-Romanian military treaty that was signed in Bratislava recently.

"Military relations between Hungary, Slovakia, and Romania are good. That is testified to by the military treaties we have signed with both of these countries. These treaties are similar to the Bratislava one, and are not aimed against any third country," the section head continued. The intensification of military cooperation among the countries of this region is one of the principles of Hungarian security policy, and it is from this point of view that Hungary evaluates the newly signed treaty between the Slovak Republic and Romania.

"Now that it has become obvious that the consolidation with the North Atlantic pact will not progress as fast as we imagined, we consider useful any measures aimed at the reinforcement of the coherence of the region and demonstrate this before the world," Csaba Kiss, section head at the Hungarian Defense Ministry concluded.

Foreign Ministry Official on Talks With Slovakia

AU1911070493 Budapest MAGYAR HIRLAP in Hungarian 18 Nov 93 p 3

["S.I."-signed report: "The Hungarian Foreign Ministry Was Surprised at Bratislava's Announcement—Baba: It Is Not Certain That We Will Sign Anything"]

[Text] On 17 November, the Hungarian Foreign Ministry expressed its surprise over the Slovak announcement in connection with the planned visit of Jeszzenszky. In reply to our question, Deputy State Secretary Ivan Baba—who oversees Hungarian-Slovak relations—said that it is not yet certain what kind of agreements will be signed because talks are still underway. "It is not at all certain that we will sign anything at all," Baba said. He confirmed that Bratislava had forwarded the draft statement that according to Slovak views would be signed by the two foreign ministers to the Hungarian side. Baba said that the text is being examined and he was surprised that the Slovaks had published the fact that this text was handed over because there had not been an agreement on this.

According to information from other sources, the Slovak side would like to include the guaranteeing of the current borders—that it sees as a key element of a future basic agreement—in the foreign ministerial statement, but it

does not see much chance for signing the basic agreement in the near future. Observers remind that Slovakia would like to have a formula included in the basic agreement that is similar to Article 2 of the Hungarian-Ukrainian Basic Agreement and that states that the two countries will not make territorial claims against each other in the future, either. At the same time, Bratislava does not wish to give as far-reaching guarantees on the rights of the Hungarian minority in Slovakia as was given by Ukraine for the Hungarians in Subcarpathia, and it would only be willing to repeat the general declarations on national minorities of already existing international documents, even in a possible Hungarian-Slovak bilateral document.

Baba made the timing of the Jeszenszky visit more exact than that of the Slovak Foreign Ministry announcement, by saying that preparations are being made for a meeting at the end of next week.

According to our information, the Hungarian side originally proposed a four-day visit similar to the Hungarian foreign minister's recent visit to Romania during which Jeszenszky also visited towns inhabited by Hungarians, however, Bratislava proposed only a one-day visit to Bratislava instead of visiting a number of Slovak towns inhabited by Hungarians. In reply to our question, Baba said that a visit lasting longer than one day is still a possibility. "Talks are still underway on the circumstances of the visit and on what is to be signed," Baba said.

Jeszenszky on Idea of NATO-Russia 'Great Alliance'

LD1811213893 Budapest MTI in English 2031 GMT 18 Nov 93

[Text] Munich, November 18 (MTI)—"I cannot accept the idea of new 'great alliance', this time between NATO and Russia, a new umbrella held by two over Hungary and its neighbours", Hungarian Foreign Minister Geza Jeszenszky said in Munich on Thursday. Jeszenszky was briefly at a Bavarian CSO-linked Hanns Seidel Foundation security policy meeting.

He noted Hungary, along with other Central European states, would like NATO to clearly state they can be members if they meet certain criteria and are able to participate in joint projects.

He proposed involving Eastern European countries in NATO's political consultations. "After the North Atlantic Cooperation Council, the time has come to proceed further", he said.

Jeszenszky thought that extending stability and security to Central Europe must not hurt Russian interests or threaten anyone, while NATO has to offer a special partnership to Russia and Ukraine, but not to the detriment of eastern Europeans.

KDNP Publishes Draft Election Program

AU1811083093 Budapest NEPSZABADSAG in Hungarian 15 Nov 93 pp 1,4

[Jozsef Szabo Bartha report: "The KDNP Concentrates on the Economy"]

[Text] The level of our governmental responsibility is equal to the number of seats we occupy in Parliament. This is no more or less than 6 percent. Laszlo Surjan, chairman of the Christian Democratic People's Party [KDNP], said at a news conference in Dobogoko on 14 November answering a NEPSZABADSAG question. Surjan announced that the KDNP's draft election program had been completed and the KDNP's National Committee is to approve it in two weeks' time. The KDNP will run in all 176 election districts and 174 candidates have already been found. The KDNP will not make an election alliance with any of the parties, and it is thought to be too early to think about coalition partners. They would be satisfied with a 20-percent result [at the elections].

The KDNP's Management Committee held a two-day extended session in Dobogoko and put together the KDNP's election program. In the 30-page, shortened draft document that our editorial group borrowed, giving a boost to the Hungarian economy, described as in crisis, is marked as the most important task. The KDNP considers it necessary that privatization is implemented in a planned and controlled way, and that it is examined retrospectively. In the interest of a unified economic policy, the KDNP plans to set up a top economic ministry. Infrastructure development and re-examination of the tax system are seen as essential tasks. The KDNP would give preference to family-type taxation. It wants to encourage enterprise and investment through tax allowances. At the same time, concentrating mainly on uncovering concealed incomes, it would increase the taxation discipline. It gives special attention to protecting domestic industry and products, and to re-establishing the eastern markets. "We will also have to reconsider the possibility of easing our foreign debt servicing obligations," the document states.

The KDNP considers it urgent to reduce unemployment.

In their view, all systems of the unemployment supervision will have to be revised and the institution of labor in the public interest has to be introduced.

The draft program calls this a specially important task: "We have to change the impossible situation of agriculture and the management in the provinces as soon as possible. The state's role is indispensable in this process." Their 12-point agriculture program includes the following: The agricultural law and the law on cooperatives must be redrawn; an institutional network to help agricultural enterprises must be set up to coordinate the fragmented state support; the establishment and operation of the credit cooperatives must not be limited; and the family agricultural businesses must be supported.

They also establish that "in food processing, the proprietor's role of agricultural producers is essential. As privatization procedures have not served this goal so far, we even consider it possible to start new privatization procedures in serious cases."

In the KDNP's view, only Hungarian citizens, local government, or the state can own land. The upper limit of private property is 300 hectares or 6,000 gold crowns [Hungarian unit of land value]. The KDNP proposes state measures to help settle the debts of insolvent agricultural cooperatives.

The chapter entitled "Hungariandom" [Magyardom] states: "It is now an imperative obligation for us to pronounce the command that is formulated in our endangered condition: Drawing from our eastern and western characteristics and from the roots of our 1,000-year old Europeaness, we must at last establish the independent intellectual and historical workshop of the 15-million-strong indivisible Hungariandom! The mission and the calling of being Hungarians which we attest." [passage as published]

The KDNP continues to consider the provision of justice that will close off the past to be essential.

Revising and "weeding out" the existing legal provisions, and establishing a unified governmental codification department is a determining passage in the party's legal program. They consider it justified to amend the Constitution, to limit the Constitutional Court's sphere of authority and the range of laws that require a two-thirds majority, to define the president of the republic's sphere of authority more precisely, and to amend the law on local government. The KDNP considers it indispensable to draft new laws on the courts, police, national security, refugee affairs, and those laws that ensure the continued operation of the churches. It would also restore the courts of appeal [itelotabla] that formerly existed and would regulate the operation of elected courts. It would place the attorneys' organization under the direction and control of the justice minister. Owing to the KDNP's political self-definition, the document devotes a large section to social policy. The basic principle is: "the establishment of a social market economy that combines solidarity, subsidies [szubszidiaritas], the values of human dignity, and economic rationality." It declares that the whole system of subsidies and supports has to be reformed and adjusted to the family as the institution that is the cornerstone of society. The KDNP would introduce flexible retirement age and would take motherhood into consideration when assessing pensions. It would establish a minimum pension as a citizen's basic right while maintaining the pension based on the number of years spent in employment, and it would also make individual savings possible through pension funds. In the KDNP's election program, a separate chapter is given each to environment and area development, youth policy, church policy, health policy, family and women policy, public and specialized education policy, higher

education and science policy, foreign policy, defense, and national minority issues and national minority policy.

Nemeth Confident FIDESZ Will Form Government

AU1811083293 Bratislava SME in Slovak 15 Nov 93 p 6

[Interview with Zsolt Nemeth, Federation of Young Democrats deputy chairman, by Karol Wolf; place and date not given: "They Remained Strong and Won the Elections"]

[Text] [Wolf] There have been serious disputes within your party recently. Among other things, two of your deputy chairmen have left the party—Mr. Fodor and Mr. Molnar. Could this weaken the voters preferences for the Federation of Young Democrats? [FIDESZ]? These preferences have not been too great recently.

[Nemeth] It cannot be ruled out that they will drop. The results of the recent polls are not known yet, however, and I believe that we will not lose our first position.

[Wolf] The conflict between Chairman Viktor Orban and former Deputy Chairman Fodor was interpreted by some observers as the FIDESZ's move toward the Hungarian Democratic Forum [MDF]. Could this put at risk the intended coalition with the Free Democrats?

[Nemeth] There was a power struggle within the FIDESZ and Fodor lost it. It also was a struggle for the political program. The program proposed by Fodor received the support of 30 percent of the members. These facts do not imply that the MDF has drifted toward the Hungarian Government's policy. I would rather say that the competition for the post-election posts is getting up steam. The situation in FIDESZ cannot endanger our cooperation with the Free Democrats. The same applies to the Agrarian Union, and the Party of Entrepreneurs.

[Wolf] What will happen if Fodor strengthens the ranks of the Free Democrats?

[Nemeth] Regarding FIDESZ, nothing will change.

[Wolf] When Mr. Fodor left the party, people used strong words. Both he and Chairman Orban used strong words, so I put the same question once again....

[Nemeth] This question of yours is speculative. As far as I know, Fodor has not made up his mind to whether he should stay in politics or leave it. If he joins the Free Democrats, FIDESZ's relation with this party will remain unchanged. I would like to add that the strong words you have mentioned were provoked—to a large extent—by the press.

[Wolf] Let us change the subject. Slovakia and Hungary do not have the best relations. It is possible that after the elections you will become the ruling party. Slovak prime minister Meciar has said several times in this connection

that he could easily come to understanding with the new government. What is your opinion on this?

[Nemeth] The current manner of communication between Slovakia and Hungary is simply unacceptable. To a certain extent, Mr. Meciar is to blame. We are prepared to be even more open, but I believe that the most important thing is something that I would call historical reconciliation.

[Wolf] What do you mean when you speak about a greater openness?

[Nemeth] Communication between us, and the way we communicate. We are close to civic and centrist parties, such as the Christian Democratic Movement, the Christian Democratic Party, the Hungarian Civic Party, and the Democratic Party. If we become the ruling party, we will also hold discussions with the Slovak ruling parties. We are prepared.

[Wolf] Do you believe that the Slovak ruling parties, like the Movement For a Democratic Slovakia and the Slovak National Party, will be capable of holding productive talks with a liberal Hungarian Government?

[Nemeth] They should be. If Slovakia wants to embark on the road toward Europe, then it must have good relations with Hungary. If Slovakia is unable to make use of this opportunity, then it may end up in the East. This would not be good for you, nor for us.

[Wolf] What parties, in your opinion, will form the new Hungarian Government?

[Nemeth] FIDESZ and the Free Democrats, for sure, and possibly the Agrarian Party and the Party of Entrepreneurs.

[Wolf] What about the socialists headed by Horn?

[Nemeth] I do not rule this out, but this would not make me happy.

[Wolf] What about the ruling MDF?

[Nemeth] The same thing I said about the socialists applies here, too.

Editorial Criticizes Government's Media Policy

AU1911070693 Budapest MAGYAR HIRLAP in Hungarian 18 Nov 93 p 7

[Unattributed editorial: "Deputy Chairman Non Grata"]

[Text] The circle has been closed. The prime minister decided that he would have a party man at the head of the Hungarian Press Agency [MTI]. He has proposed Karoly Alexa [chief editor of HETI MAGYARORSZAG], member of the Hungarian Democratic Forum's [MDF] national committee, an outspoken journalist who supports the government, to be appointed by the president.

Now that, in all probability, the leaders of all three national information institutions are fed by the government, it is rather unlikely that Miklos Omolnar's [Independent Smallholders' Party deputy] recent suggestion that [Radio Deputy Chairman] Laszlo Csucs should resign will be heeded. The prime minister is not trying to get an MDF-member journalist who is absolutely certainly biased at the head of the press agency just to give up another stronghold at the same time. However, the smallholder deputy was justified in calling for the resignation of the radio deputy chairman because he had violated the principle of neutrality to parties, which is compulsory for public servants.

However, we do not think that resignation is the solution. No. If the prime minister is consistent then he has to dismiss the deputy chairman who is delving into politics. Just as he dismissed the former chairman [Gyorgy Suranyi] of the national bank who had supported a tame civil organization with his signature. However, we are not saying that the deputy chairman should be fired purely for his political involvements. Through this, we would retrospectively acknowledge that he acted correctly when he relieved Suranyi.

Anyway, rather than the fact that he [Csucs] spoke at a political rally, the issue is what he actually said. In our view, what was said by the deputy chairman of the public service radio about the best of Hungarian writers is impermissible. There is a limit to how uncivilized one can be. There must be a point of impossibility after which the power cannot continue to defend even its most dependable man. Csucs said at an MDF meeting: It is a great pleasure to him that the writers prohibited the radio broadcasting of their works and they did a great favor. This means that he is happy that there is less literature on the radio, and it also means that if the writers had not taken this step then he himself would have been forced to eradicate the spirit represented by them from the radio programs. These writers—the deputy chairman lets us know—disparage the Hungarian nation, discredit the government, incite against the radio in which they also speak, and demand the freedom of press from a radio in which they tell lies.... The writers, that is.

The deputy chairman of the Hungarian Radio is not allowed to slander, even in a sudden heat of emotions, and he definitely cannot be happy about the removal of literature from the radio. This joy is not part of his professional duties. To the contrary, it is diametrically opposed to his public service function.

If the government wants its own radio then it has to relieve the deputy chairman of his position because up to now he has allowed Hungarian writers to "defame the Hungarian nation," to "incite," and to "lie."

If the government wants a neutral radio then it has to relieve the deputy chairman of his position because he

allowed himself to give way to such an extreme statement. If the government wants an honest public service radio then it has to relieve and save the radio.

However, now when the appropriation of the "public service" seems to be completed, there is no hope....

Walesa Hopes 'To Put in Order' Political Scene*LD1811195293 Warsaw PAP in English 1836 GMT
18 Nov 93*

[Text] Warsaw, Nov. 18—President Lech Walesa said on Thursday in an interview for PAP that time has come now to put in order the political scene in Poland.

The president stressed that both his initiative concerning the constitutional tribunal and meeting with the prime minister, the minister of national defence and other state officials responsible for Poland's security were intended to serve this goal.

While explaining his plans of putting in order the Polish political scene, Lech Walesa said he wanted to start with the issues he could have influence on, namely, Poland's defence and foreign policy.

The president denied that his meeting with the prime minister and the national defence minister was caused by the appearance of a particular threat to Poland's security and he stressed that it was motivated by the need for legal and structural solutions.

Asked whether Poland needed right-wing parties, the president said that the right wing must exist in Poland. "I must say that I will see to it and that I am ready to provide great help," he said.

While commenting on the government's plans to change taxes, Walesa said the cabinet should deal with the issue very carefully and stressed it should also control the effectiveness of these changes.

Answering a question whether he still believed the concordat with the Holy See should be ratified without any amendments, Walesa said he believed it was good and stressed it did not limit any rights of the state and its citizens.

At the end, Walesa was asked to comment on the collision of his son's car with a Mercedes van in Gdansk. The president said it might have been caused by his long absence at home, and by his son's problems. "However, one has to bear responsibility. My son is an adult. He has to be brought to account and there can be no forbearance. I have always had respect for the law and I will continue to do so," the president stressed.

Asked about his plans for the future, Walesa said he would make a decision on running for the second term as president in the end of 1994. He added he would retire if things were going well in Poland but stressed that "if things take a bad course, I will fight."

Personal Changes in Ministry of Communications*LD1811152393 Warsaw PAP in Polish 1419 GMT
18 Nov 93*

[Text] Warsaw, 18 Nov—On 18 November a PAP journalist learned from sources close to the Ministry of Communications that Andrzej Zielinski, minister of

communications, asked the prime minister to recall Deputy Ministers Marek Rusin and Tomasz Depczynski.

Liberal Democratic Leader Tusk Interviewed*PM1811103193 Poznan GAZETA POZNANSKA in
Polish 3 Nov 93 p 3*

[Interview with Donald Tusk, Liberal Democratic Congress chairman, by correspondents Miroslaw Jurgielewicz and Stanislaw Pigula; place and date not given]

[Text] [GAZETA POZNANSKA] Do you see a chance for a merger between the Liberal Democratic Congress and the Democratic Union? When, if at all, could this take place?

[Tusk] There are two separate issues here, and they should be considered separately. The first is the Democratic Union's appeal for a merger of the Liberal Democratic Congress and the Democratic Union. In this case, I am cautiously skeptical. This is because it is not possible to carry out a simple merger of these two parties. You must face the truth squarely and admit clearly that two parties which have lost in the election (although the Union is less of a loser in this case) will not create some new and better entity by the mechanical process of joining forces together. I regard the Democratic Union's appeal as a most reasonable signal. We should hold joint talks as soon as possible on the possibility of creating some sort of new political entity which will represent an integrated alternative to the socialist groups which won a victory in the election. In other words, this should be a move which is certainly needed in Poland today: We should fill the right hand side of the political stage with "civilized" political groups—although in saying this I certainly do not intend to insult other potential partners or competitors aspiring to figure in the opposition...

[GAZETA POZNANSKA] But could they not see what you have just said as insulting to them, anyway?

[Tusk] Perhaps we should change the term "civilized" to "moderate," that is, valuing commonsense above other attributes in everyday practice. In my opinion, if anyone is to talk about winning the next self-government and parliamentary elections, they must first secure for themselves a firm basis in the two major milieus of the true center-right orientation: the Democratic Union and the Liberal Democratic Congress. I use the term "milieus" deliberately, because I am not talking exclusively of politicians involved in the party apparatus system, but also of those who would be capable of according political priority to economic concerns viewed in the light of liberal principles.

As regards the possible date of the merger, the date set for the local self-government election defines it with somewhat brutal precision. If we are to make any decisions in this matter, these must be settled before the end of this year.

[GAZETA POZNANSKA] What concerns and fears do you, as liberals, harbor in connection with the situation which arose after the 19 September election?

[Tusk] Every party should have its own infrastructure, its own money, and its own media—or free access to them. It should be present in parliament and, most importantly, it should have well-defined goals, with some guarantee of success in reaching these goals. But the 19 September election demonstrated clearly that no sensible Liberal could offer anyone such guarantees. We must be strong enough to pit ourselves against this somewhat depressing truth. We must be able to muster enough courage to tell people that the way in which the Liberal Democratic Congress intends to build up its identity without necessarily proposing that it joins some larger political formations is a most difficult, and that it does not offer even a shade of a guarantee of success. Today there can be no realistic reasons to assume that the Liberal Democratic Congress will score successes in future elections.

I now feel an increased responsibility for the task of pointing out such a way of future successes to Liberal Democratic Congress members. Consequently, I will speak out—both in the Congress forum and on wider platforms—in favor of creating a larger political formation with the Congress' participation. I believe that that would be a necessary prerequisite for the preservation of the present leadership of the Liberal Democratic Congress. If I fail to persuade my colleagues in the Congress that that is the correct way to proceed, then I will obviously have to accept that the natural consequence of our failure in the election and of my colleagues' rejection should be that I resign. In addition, many of my colleagues who until now have traditionally acted as leaders in Liberal Democratic Congress would then have to make the same decision.

[GAZETA POZNANSKA] Election failures always lead to a search for the guilty. Is that what is taking place within the Congress, too?

[Tusk] The person ultimately responsible for the Liberal Democratic Congress is its head—just as is the case with other similar institutions. So you do not need to look far and wide. I am responsible for the Congress' condition and I see absolutely no reason why I should not talk about this loudly and openly. Nevertheless, I do not expect to see any disturbing developments in the Liberal Democratic Congress. And if I talk about the possibility of my resignation, it is not to imply that it would be a forced move. It would follow naturally from an obvious conviction that it is a worthwhile thing to head a group of people who accept your blueprint for the group's aims and for the Liberal Democratic Congress as such. I am, of course, well aware that there is a variety of views and arguments circulating within the ranks of the Liberal Democratic Congress and concerning its operations, my campaigning style, and the ways in which the party's funds are handled.

As to my future professional plans, these are connected with journalism regardless of my position in the Liberal Democratic Congress after its forthcoming November conference. I received proposals of cooperation with several daily newspapers and two central weekly publications. For the time being, I am considering these offers.

[GAZETA POZNANSKA] The Liberal Democratic Congress' election campaign was sponsored by business circles. Have these not turned their backs on the Congress now?

[Tusk] I have spoken with many people who assisted our campaign financially and I did not receive such an impression. Over the four years of my chairmanship of the Liberal Democratic Congress I actually found it very hard to persuade these milieus to sponsor our political activity. Today I note a somewhat different situation: The majority of businessmen in these circles are not only keen to maintain relations with us, but also insist on intensifying our financial cooperation. I have the impression that many private entrepreneurs have at long last come to the conclusion that what we have been talking about for the past three years is genuinely true. I believe that many of them are waking up to the realization that the rule of an uncompromising left-wing orientation—especially when it is accompanied by proposals leading to an increase in the rate of inflation—could lead to problems especially for those entrepreneurs whose situation depends directly on the state's financial stability.

UD Presidium Supports Merger With KLD

WS1811092193 Warsaw RZECZPOSPOLITA in Polish
17 Nov 93 p 2

[Report by Ma.S.: "UD and KLD—Unification When?"]

[Text] The Democratic Union [UD] leadership, strictly speaking (the so-called Presidium), noted with satisfaction a resolution by the Liberal-Democratic Congress [KLD] concerning KLD's desire to form a joint political party with UD. It was practically the only specific aspect coming out of Tuesday's [16 November] Presidium session—the first since the liberals' congress ended on Sunday.

UD leaders want to design a time schedule for unification soon. Most probably, a meeting with the KLD leadership will take place before the end of this week.

It is not known whether it will be possible to form the new party before the upcoming self-government elections. This is even more so, since some politicians are not fully convinced that things should be rushed so much. An election victory could perhaps become a natural kind of binding factor for the new party. "There is no chance of the self-government elections resulting in even a shadow of victory"—pessimists say. They want the unification to take place before May 1994, to enable

the current UD and KLD to present themselves under a common, new banner during local elections.

Jan Maria Rokita [former chief of the Office of the Council of Ministers] reported Tuesday that the Krakow branches of both UD and KLD have already signed an agreement on joint participation in the self-government elections.

The UD Presidium will continue their debate on Wednesday concerning the subsequent fate of the unification process.

According to information acquired by RZECZPOSPOLITA, there is agreement within the UD leadership that Barbara Labuda's statement (that Mazowiecki must resign as chairman) was bad for UD, and unnecessary.

SdRP, PSL Ignore Order To Vacate Headquarters

AU1911112393 Warsaw PAP in English 1749 GMT 18 Nov 93

[Text] Warsaw, Nov. 18— According to the Tuesday [18 November] edition of the new ZYCIE NASZE CODZIENNE [OUR DAILY LIFE] daily, the new government coalition partners and Warsaw city hall are having a disagreement over whether the respective parties are legally entitled to remain in their Warsaw party headquarters.

The paper's Tuesday edition quoted Jan Rutkiewicz, mayor of Warsaw's central district Srodmiescie, as saying that the Social Democracy of the Republic of Poland (SdRP) and the Polish Peasant Party (PSL) should vacate the premises of their Warsaw party headquarters.

According to Rutkiewicz, both parties should hand over the buildings lodging their headquarters to the city authorities due to the fact that in his opinion the buildings themselves are city property.

According to SdRP party treasurer Edward Kuczera, "at the beginning of October we received notice from the mayor that we were to vacate the premises by November 15. The mayor referred to the fact that we have no legal right to use the building. We were surprised by this information, due to the fact that in 1990 we received permission to use the building from the authorities."

The SdRP is currently carrying on discussions with Warsaw's administrative commission on the matter.

According to Ryszard W. Kochaniak, the PSL's legal adviser, there is no doubt that the PSL has a legal right to continue to occupy its Warsaw party headquarters.

"The civil-administrative problems associated with the issue are, however, far more complicated than simplified press statements would lead one to believe," added Kochaniak.

Pawlak Interviewed on Regional Policy, Trade

PM1811165893 Lodz GLOS PORANNY in Polish 13-14 Nov 93 pp 1, 3

[Interview with Premier Waldemar Pawlak by correspondent Henryk Sroczyński; place, date not given]

[Text] [Sroczyński] Previous governments believed that certain regions should receive special status and be treated accordingly. As you know, Lodz was one of these regions. Do you intend to continue this policy and what kind of special treatments could the special-status regions count on?

[Pawlak] The government policy must take into account the specific character and considerations prevailing in each region. This concerns first of all the problems connected with unemployment and other problems besetting the industrial sector. We will certainly take into account the realities of the situation obtaining in different regions, including Lodz. However, I believe that the problems of that city are not only the consequences of its geographic location, but also of the manner of approaching the questions of its industry. Poland's light industry traditionally occupied a very high position in the listings: It was one of the sectors whose products could easily compete in all world markets at any time. However, as a result of errors in our economic policy we eventually arrived at a situation in which Lodz lost a high proportion of its potential in many areas of its industry.

Direct contacts with different people from Lodz prove very clearly that those who, within a given employment situation, once earned much above the national average, now earn much less than that average. This happens even though their work is very hard, very difficult, and they are mostly women. Consequently, we not only need good work policies in the regional context, but we also need good economic and industrial policy devised for the whole country. In addition, on the one hand we also need protection of our labor market, and on the other we should seek to promote our products—including the products of our light industry—and find new foreign markets where we could sell them.

[Sroczyński] Foreign markets situated to the east of our borders were of particular significance to us. Can we hope to regain our position in these? What range of importance will this question have in your government's policy?

[Pawlak] We are, for obvious reasons, much closer to the sphere of influence exerted by the European Union. Integration with the European Union will proceed also in the economic sphere. Nevertheless, there are still vast opportunities for selling our products in foreign markets to the east of our borders. However, it must be said that those countries often apply a very strict protectionist policy designed to defend their own textiles market. It should be noted, however, that talks on the exports of textiles—and also other light industry products—to

western markets are equally difficult. I believe that we should look for trade exchange solutions which will result in balancing our imports and exports in this area. To this end, we should take into account the fact that we import very many goods and materials from the territories east of our border. This ought to open up vast realistic opportunities for expanding the exports of our products there.

[Sroczynski] To what extent does your ideal concept of a government capable of running the country in these difficult times correspond to the actual structure of the administration which you managed to set up within the demanding terms of a coalition framework?

[Pawlak] I believe that the members of the government coalition are quite clearly committed to our shared goal and that we carry that responsibility together. As regards their actual ability to do the job, life itself will show whether our shared effort is successful. At the moment I am convinced that we have a team of people who can work together and who can understand one another in the effective and responsible activity they propose to carry out.

[Sroczynski] Peasant politicians are often the targets of patronizing criticism in Warsaw milieus. In your opinion, does this stem from the traditional disdain with which the urban dwellers have always treated the farmers or from Warsaw's attitude to provincial Poland? Perhaps it is a question of political rivalry?

[Pawlak] I believe that we have too many real problems at the moment to give any serious thought to such bickerings.

Pawlak on Economy, EC, NATO

BR1811133693 Paris *LIBERATION* in French 18 Nov p 21

[Interview with Polish Prime Minister Waldemar Pawlak by Isabelle Lesniak in Warsaw; date not given: "We Need Guarantees For Our Security"—first paragraph is *LIBERATION* introduction]

[Text] Waldemar Pawlak, 34 years old, is the first leader of the Polish government not to be drawn from the Solidarity movement. His party, the PSL [Polish Peasant Party], was the satellite of the governing Communist party for 45 years: Today it is the pillar of the governing coalition together with the Alliance of the Democratic Left (former communists).

[Lesniak] In your inaugural speech you spoke at length of the role of the public sector in the economy, and very little of the private sector. What is your answer to the critics who speak with irony of the "big return of the state?"

[Pawlak] Even in your developed countries, the private sector has not replaced the public sector: the two coexist together in the general interest. In many areas where

profit criteria are not of overriding importance, as in basic services which the public must continue to enjoy, the private sector cannot replace the state which has a fundamental role to play.

[Lesniak] Is the process of privatization to be slowed down?

[Pawlak] One thing is certain: We are not going to pursue the privatization program implemented to date without undertaking a detailed study of its effects on the national economy. The theoretical goal of privatization is to improve the efficiency of companies. Yet in Poland we are already seeing that certain recently privatized firms are on the verge of bankruptcy, causing massive redundancies, and finally asking for state aid in order to stay in business. It is naive to believe that it is sufficient to change the structure of a company's ownership in order to improve the way it operates. That was the mistake made by the Solidarity governments.

[Lesniak] You have criticized these governments very severely. What do you see as being their fundamental mistake?

[Pawlak] Above all, I blame them for having pursued an austerity program which took little account of the interests of the population. Since 1989, production has fallen by 30 percent; in order to offset the fall in public revenue due to this downturn in activity, taxes were drastically increased. This exerted pressure on consumption without helping production. If we had continued in that direction, the population would have ended up by rejecting democracy and the market economy.

[Lesniak] Before the elections, certain members of the PSL spoke of renegotiating the association treaty with the EC in order to better protect the Polish market. Yet at your inauguration you restated your intention to join the Community. Have you abandoned the idea of defending the domestic market?

[Pawlak] In my speech, I stressed that we should protect our market at least as much as the EC protects its own. Despite the ratification of the association treaty, the Twelve continue to impose non-tariff barriers on the entry of our products, notably by increasing health rules. This is why, with the exception of Germany, we have a trade deficit with each of the EC member states. More than half of Poland's total trade deficit is the result of imbalances in trade with the Twelve. This situation cannot continue.

[Lesniak] Is the PSL definitely reconciled with NATO?

[Pawlak] Opposition to closer links is at present coming from NATO itself, not from us. Our proposal is very clear: It is not a question of threatening Moscow's interests but of obtaining guarantees of our security. We need not necessarily speak in terms of military integration: We could envisage a partial participation in NATO's structures, like France for example.

[Lesniak] The parties of the Left campaigned, in the run up to the elections, for a review of the repressive law on abortion which is now in force; you made no mention of this in your speech. Is the coalition government going to call for a review of this law?

[Pawlak] The agreement signed with the former Communists in order to form the government does not cover this subject. There are clear differences of opinion between the PSL and the former Communists. I myself feel that the present law is not perfect but is also not as repressive as certain extremists wanted. Before contemplating any revision, we must ask whether or not it is really worth reopening a debate which is so painful and ideological.

Minister Podkanski on Foreign Trade, Exports

WS1711133093 Warsaw TVP Television First Program
Network in Polish 2115 GMT 16 Nov 93

[Interview with Leslaw Podkanski, minister for foreign economic cooperation, by Andrzej Bober in Warsaw; from the "Letters on Economy" program—live]

[Text] [Bober] Mr. Minister, when Hanna Suchocka was coming to power 15 months ago, we had a positive foreign trade balance, and I think the net surplus was in the range of \$1 billion. Right now, we have a foreign trade deficit which is more than \$2 billion; in other words, we consume more than we produce. Now, my two questions to you are: How did this gap in the deficit come about, and what in essence happened?

[Podkanski] Indeed, the foreign trade deficit currently exceeds \$2 billion very clearly, and predictions are that this trend will not change during the remainder of this year—on the contrary, it will increase even more. A fundamental reason for that state of affairs is the issue of the so-called international trend and of the recession, which are directly linked to our progress in the area of foreign trade. But the primary reason has to do with our domestic system and structures which are supposed to facilitate and increase exports. In my view, the lack of such structures, or of securing their functioning, was the direct cause of the net result in foreign trade about which we are talking.

[Bober] Could you explain in a more understandable way how the gap came into being?

[Podkanski] That gap—first of all, I would like to explain, that the gap is about a net result between the value of imports and that of exports....

[Bober, interrupting] So, I understand what happened was that imports increased significantly more than exports?

[Podkanski] Yes, our imports increased significantly, when compared with exports, and the situation is currently such that consumption imports constitute about 30 percent of all imports. As far as the specificity of the

difference between imports and exports is concerned, its reasons and essence have to do with the fact that the Polish economy, exports, and industrial-economic policies, were lacking an economic or governmental base or support system, with regard to exports.

[Bober] Mr. Minister, exports have not been rising the way we would like them to—the rate is very low. One often hears views that some customs barriers created by West Europe are an obstacle in that regard. So my question to you is: West Europe has been assigning so-called export quotas on us. Now, these quotas—according to available data—have so far been used up this way: Potatoes—0 percent, mushrooms—36 percent, butter—2 percent, leather clothes—17 percent, shoe products—2 percent. In other words, we can....[Bober changes thought] I mean West Europe agrees to us directing much more Polish merchandise to the West European market, whereas we do not use these opportunities. Why is that?

[Podkanski] Well, the situation is that the amounts we receive within the assigned quotas and ceilings based on agreements and contracts we have signed—those amounts are not being utilized to their full extent. There are some cases where....

[Bober, interrupting] In some cases, the amounts are not being used at all.

[Podkanski] Indeed, in some cases, the level of using the amounts is zero, but there are also cases—such as radio and television equipment, for instance—where the current implementation rate is 50 percent.

[Bober] Why does that happen?

[Podkanski] This situation is caused, first of all, by the following factors: First—an inadequate knowledge of the possibilities of using the quotas, both by us and our partners. Second—this is the issue of the so-called periodical assignments of the quotas in question. The quotas are assigned on a quarterly basis, for instance when it comes to food and agricultural products. Third, the issue is that....

[Bober, interrupting] But we must have some idea on....

[Podkanski, interrupting] We do indeed have some idea, but as the minister for foreign economic cooperation, I simply do not have updated data on what portion of a given quota has already been used up. The data I receive are already a few months old when I get them, so I have no way of influencing....

[Bober, interrupting] I understand now. So we clearly have a deficiency—lack of an information system.

[Podkanski] Absolutely, yes—it is a huge deficiency. I mean lack of an information system, and of just one, centralized economic data system.

[Bober] Mr. Minister, so now we know more or less how the gap came about. Now, you are a new minister—you

were already a deputy minister in that economic branch in the past—so now I am asking you as minister: What is your idea for getting rid of the gap in foreign trade?

[Podkanski] My idea in that regard is about introducing a governmental, pro-export, economic policy.

[Bober] Well, you know we heard such descriptions on many occasions in the past. They sounded the same, but maybe your idea really means something else?

[Podkanski] Yes, they sounded the same, but now we are analyzing and implementing them in detail. I would like here to outline the following directions for our work: First—initiating the activity of export credit insurance corporations, which first of all must be given proper financial instruments, which means raising the set-up capital for corporations, and the second issue is that the corporations must have credit insurance funds established and functioning along with them. Second—there must be a clear and intelligible program of stabilization of all the instruments shaping the economic system, which comprise the customs, tax, credit, and foreign-currency rates policies. Earlier during my statement, I failed to mention that one of the reasons for this situation in the foreign trade balance [word indistinct] is precisely that changes in foreign-currency-rates policies occurred later than what my ministry suggested....

[Bober, interrupting] What do you mean? Do you intend to change the zloty-dollar exchange rate?

[Podkanski] The foreign-exchange-rate policy should also be an instrument which would directly influence the trade....

[Bober, interrupting] I see. I will put it bluntly: Are we about to see a devaluation of the zloty?

[Podkanski] I do not think so. I do not intend to exert the so-called pressure on gradual devaluation, but the rate of the zloty's devaluation should be equal to the inflation rate.

[Bober] But do you not think that some form of putting the customs and tax laws in order, should also be considered as a way of eliminating the gap in foreign trade?

[Podkanski] Absolutely yes. I regard such a legal stabilization as necessary and indispensable, to be implemented over a several-year period.

[Bober] Except that many of your predecessors also confirmed that necessity, but it later turned out that it is extremely difficult to implement in practice. So I am asking you: Do you have any practical ideas on how to accomplish that in real life?

[Podkanski] My practical ideas at this stage are limited to the following factor: Introducing such necessary financial items into the 1994 budget, which would reorient the pro-export policy. That policy will: First, it will be used

in the process of the so-called trade credits, but it will also be used at an earlier stage—one of credits for export production.

[Bober] You know, all this sounds somewhat complicated. We asked you to come here not to hold you accountable for anything, because you have not been in your post long enough for that. But the issue is too serious to be able to make this your last visit here.

Taking the opportunity of your presence here, I would like to ask the following. So-called trade advisory bureaus have been stirring up a lot of controversy. I mean those bureaus that Poland has in other countries. Often times, these are good places for secure posts held by various kinds of wimps. Do you have any fresh ideas of how to change the way those bureaus function? Do we need them at all?

[Podkanski] First of all, we do need them, and we will in the future. But it is beyond dispute that the entire system, ways, and forms of these bureaus' functioning, must be changed. I intend to check the way they function by gathering views of Polish economic units which cooperated or got in touch with our trade and economic bureaus. That is the first thing. Secondly, I intend to shift the priorities of these bureaus very clearly, toward information, promotion, and marketing of the Polish economy.

[Bober] But the bureaus' existence was justified when the state had a monopoly on foreign trade. The state no longer has that monopoly, so do we need those bureaus at all?

[Podkanski] It is beyond dispute that we do, and we will in the future. Simply put, promotion of the Polish economy must be conducted both through the bureaus, and by having Polish economic units cooperate with them.

[Bober] Thank you, Mr. Minister. This was your debut on the program, and I am pleased to say that we will be meeting here many times in the future. Thank you very much.

[Podkanski] Thank you very much.

Defense Minister, Deputy Discuss Army

WS1811144093 Warsaw RZECZPOSPOLITA in Polish
18 Nov 93 pp 1, 2

[Report by M.W.: "We Will Not Abandon Our Road to NATO"]

[Text] "Apart from a six-month period of stagnation (an allusion to the time when Jan Parys was minister of national defense), all the reforms in this ministry were implemented at a speed that was allowed by the budget," declared Piotr Kolodziejczyk at his first press conference after he took this office once again.

Janusz Onyszkiewicz, former head of this ministry, was introducing all the necessary corrections all the time; therefore, it is possible that at the end of the year only "a few things" will need to be reviewed. Poland will not abandon its road to NATO; however, it should not want to enter this alliance so much if it remains in the form it was years ago. NATO should be transformed into a political-defense alliance and then it may become the pillar of an all-European security system, stressed the minister.

Minister Kolodziejczyk considers it necessary to separate legally the commanding and administrative powers in the Army; to adopt a law on the minister of national defense; to coordinate extra-military activities of the Army structures (all the more so because decentralization means changing the system in which it was possible to order state-run enterprises to participate in the defense system); he also believes that the Law on the General Duty of Defense and on Emergency and Martial Law are very important as well. Their content, however, will depend on the new constitution.

Piotr Kolodziejczyk introduced his first deputy, Jerzy Milewski. Even though he is the head of the Office of National Security, he will also be responsible for the system of the state's defense and for social affairs in the Army. Both politicians gave assurances that the fact that Milewski fulfills both functions will serve the purpose of improving the efficiency of the ministry's work and the state's defense system.

Apart from that, following are the issues that took most of the time at the conference:

—The budget: If it were to be kept at the present level, it would be tragic. Developing the Army and ensuring contacts with modern technology would entail a budget of at least 3 percent of the national budget. The entire matter is in the hands of the Sejm (P.Kolodziejczyk).

The defense industry: It is an important element of the defense system of the state. We must help it overcome the crisis by supplying orders (chiefly for basic armaments and explosives). We should particularly protect factories where approximately half of the production is for the Army, the other half is destined for the civilian market. There is a chance for cooperation with abroad in the armor industry, aviation, and radio electronics (J.Milewski).

—It is first of all commanders who should be tasked with training and educating soldiers; the General Staff of the Polish Army should be responsible for this. The civilian sector of the Army should be responsible for information for and on the Army (J.Milewski). The field ordinarate of the Polish Army should be subordinated to the General Staff (P.Kolodziejczyk).

—Next week a session of the National Defense Committee will be held (P.Kolodziejczyk).

—Poland needs a security system that it could participate in already today, because it is in the "risk zone." We would like to head for NATO along with the other states of the Vysegrad Group. Soon consultations of ministers will be held there. We should go through the program called "Partnership for Peace," which, it seems, President Clinton will announce at the NATO summit meeting in January. One of the most important guarantees of security are very good relations with neighbors. The Russian martial doctrine is a "make-over" of the Soviet one; however, it includes both negative ("closer abroad," using nuclear weapons first), and positive (refusal to encroach the territories of other states) elements. We should wait and see what interpretation of the doctrine will be forwarded to NATO by Russian experts.

Statistics Office Reports Increase in Real Wages

WS1811150593 Warsaw RZECZPOSPOLITA in Polish
18 Nov 93 p 1

[Report by D.E.: "Wages in October: Faster Than Prices"]

[Text] In October, the average salary, calculated before taxes, in the six fundamental branches of the national economy amounted to 4,332,700 zlotys. That figure is 3.4 percent higher than in September—this was reported by the Central Office of Statistics [GUS] on Wednesday.

As we already reported the day before yesterday, prices for consumption goods and services increased in October by 1.9 percent, which means that real wages increased by 1.5 percent. Compared to October of last year, salaries in the six fundamental branches of industry, calculated before taxes, increased by 30.6 percent while prices went up by 29.8 percent at the same time. This means that there has been a very small growth of 0.8 percent in real wages over the last twelve months.

GUS also reported on Wednesday that the unemployed rate dropped (previously, a drop was recorded in May this year) from 15.4 to 15.3 percent

According to GUS, prices for industrial output were 1.8 percent higher in October than in September and 33.3 percent higher than in October 1992.

The average monthly salary in the six fundamental economic branches, together with the income tax (without the payments of income and balance sheet surplus) was exactly 4,311,463 zlotys (3.4 percent growth). The average salary in the five fundamental branches of the economy (without payments of income) increased by 3.5 percent. The average purchase price for rye in October was 168,000 zlotys.

Trade Unions Organize Rally, March in Bucharest

AU1811140593 Bucharest ROMPRES in English 1315 GMT 18 Nov 93

[Text] Bucharest ROMPRES, 11/18/1993—Rallies started on November 18 in the capital and other towns, organised by the National Confederation of Romania's Free Trade Unions [CNSRL]-Fratia unions.

The route of Bucharest demonstrators includes central boulevards to end with a great rally in the Victoria Square, in front of the government's headquarters.

The press has put out unions' claims among which real restructuring and privatisation, an adequate ratio between salaries and prices, minimum wages of 60 percent of average wages, adequate budgets for education, health, agriculture, culture and scientific research, a new policy of prices, especially of basic products, the modification of the unions law, concrete measures to fight corruption.

Miron Mitrea, executive chairman of the CNSRL-Fratia unions say in a statement published by CURIERUL NATIONAL that the rally and march of November 18 are aimed to make the government show responsibility in its negotiations with the trade unions.

Victor Ciorbea, chairman of the CNSRL-Fratia unions see the November 18 actions as the baptism of fire of the newly formed CNSRL-Fratia Confederation. "We want immediate, real negotiations followed by government decisions and solutions to claims. We do not want words instead of heating, warm water, lodgings, food," mentioned Ciorbea in CURIERUL NATIONAL.

TU Leader Says Rally 'Ultimatum'

AU1811191693 Bucharest ROMPRES in English 1843 GMT 18 Nov 93

[Text] Bucharest ROMPRES, 18/11/1993—Representatives of all federations and territorial branches of the Fratia National Free Trade Unions Confederation of Romania participated in a big march and rally in Bucharest, on November 18, under the motto "Rally of Survival."

The five columns of demonstrators that traversed Bucharest merged around 1400 [1200 GMT] in the Aviatorilor Square in a protest rally of that big trade union confederation. During the march, they chanted slogans against the president, against the government, and in favor of monarchy. The speakers, union leaders of industrial, trade, research, design, education, health, and transportation units, referred to the increasingly difficult conditions the Romanian people have had to cope with as a result of an incoherent application of the reform that led to a substantive degrading of the living standard.

In closing the rally, Fratia Chairman Victor Ciorbea said that "this demonstration is a signal, an ultimatum to the government. If in a few days the executive does not give

proof of its willing to change its way of work and does not give us concrete answers, with immediate solutions to our eleven claims, we will be forced to start other forms of the union fight, up to an all-out strike," Victor Ciorbea said. The union leader mentioned that if they would not be invited to discuss the concrete problems of the reform and economic recovery, they would be forced to ask the government to resign and allow for the formation of a coalition government that should rely on the majority of the parliamentary parties.

Present as usual at all rallies and demonstrations in the capital, together with his subordinates, in order to keep order, General Nicolae Nitu [head of the Bucharest police] asked the participants to keep a minute's silence in memory of the martyr heroes who lost their lives during the December 1989 events. Even his son was a martyr hero. "Let us not forget our heroes," the Bucharest police chief said, "and let us not forget that they died for this people to no longer suffer from hunger, cold, and misery."

Government, Unions Discuss Demands

AU1811191093 Bucharest Radio Romania Network in Romanian 1800 GMT 18 Nov 93

[Text] This evening, Romanian television broadcast live a discussion that was attended by representatives of the government and trade unions, which today organized the march and meeting in Bucharest.

The government was represented by Mr. Viorel Hrebeniuc, general secretary of the government, and by Octavian Partenie, state secretary and chief of the Office for Relations With Trade Unions and Employers. On behalf of the trade unions, the discussion was attended by Messrs. Victor Ciorbea, president of the CNSLR [National Confederation of Free Trade Unions of Romania]-Fratia unions, and Miron Mitrea, executive president of the CNSLR-Fratia Confederation.

On this occasion, the sides further discussed aspects linked to the need of intensifying the reform process, social restructuring, and retraining, as well as aspects linked to relations between the government and trade unions, ways and means to conduct further negotiations within the framework of these relations, questions regarding the relationship between the government and the state property fund and private property fund, and the importance of politics with a view to achieving a social pact. Emphasis was placed on the current economic situation and on the imperative need to proceed immediately to the application of what was agreed on during the negotiations between the government and trade unions.

Ministry Reports Industrial Output Stabilizing

AU1811123093 Bucharest ROMPRES in English 0840 GMT 18 Nov 93

[Text] Bucharest, ROMPRES, 18/11/1993—The industrial production of the fourth quarter of 1993 is expected

to stay at levels comparable with those of the previous period to be 11 percent higher than in the similar period of 1992, reads a document issued by the Ministry of Industries.

It's for the first time in the past three years that the industrial production shows signs of redressing for three quarters running, even a tendency to stabilize.

The prognosis for the fourth quarter is also based on the fact that the main power resources have been ensured in conformity with the programme for the winter 1993-94.

Estimates say that the industrial production of 1993 will be 2.6 percent higher than that of 1992, with an increase in productivity of 9-11 percent in comparison with the same period of last year and with a 7 percent work force reduction.

Iliescu Comments on Economy, Political Life

AU1911071993 Bucharest DIMINEATA Supplement in Romanian 16 Nov 93 pp 1, 6, 7, 8

[Interview with President Ion Iliescu to Emanuel Valeriu and Nicolae Melinescu for Romanian Television, in Bucharest on 5 November: "Decisive Steps Toward a Stable Society and the Consolidation of the Rule-of-Law State"]

[Text] [Valeriu] Good evening esteemed viewers, good evening Mr. President Ion Iliescu. A short while ago, we marked one year since the last elections, held in September 1992. The events in the period that has elapsed since then have generally been commented upon in negative terms by certain publications. I am not aware of any comment from you in your capacity as president in this respect, and so my colleague Nicolae Melinescu and I would like you to comment on this period, in view of the fact that you ran on the lists of a political party, namely the Social Democracy Party of Romania [PDSR].

[Iliescu] First, let me say a few words about the elections! I believe that, regardless of the political options, everybody agrees that last year's ballot marked a key political moment in the country's political life. If we look back on the four years since the December 1989 revolution, I believe that the September-October 1992 parliamentary and presidential elections concluded a decisive cycle in the process of changing the state's basic structures, promoting our democratic life, and asserting the basic principles of civic rights and freedoms.

On the basis of the Constitution adopted by the previous Parliament—which worked on it intensively for one and a half years—and then approved by national referendum, the September 1992 elections marked the end of the structuring of institutions of the new rule-of-law state, in the context of the democratic development of Romanian society.

I believe that the past year has consolidated the progress of the establishment of the new state's democratic institutions and the democratic framework of the development of the political and social life in our country. Therefore, I believe that these elements should not be overlooked. At the same time, one could witness a certain stabilization of our political life, including the confrontations in Parliament and the mass media, which took place in a more civilized way.

At an international level, everybody is aware of this process of stabilization in Romanian society, which compares favorably with neighboring countries and the geographical area in which we live, which is dominated by many convulsions and major upheavals. They even appreciate the stabilizing role played by Romania in this European region. Such comparisons are also made when referring to developments in our country.

The Romanian revolution was characterized by the violent way in which it overthrew the old structures. Elements of violent confrontation have dominated the first stage of our development in the first half of 1990. Then we evolved toward a process of continuous settling and stabilization of our political and social relations. This evolution is appreciated abroad, particularly when compared to the one in other countries which had a quieter change, but are experiencing internal convulsions, which are quite destructive at times.

Therefore, we cannot help appreciating this as a general feature of the Romanian society. It is, how shall I put it, the result of the overall evolution of the entire Romanian society, including all the political and social forces that are asserting themselves in our public life.

I believe we have made progress along the road of economic reform and development and making headway in our economic situation, despite the great hardships faced by the country right now. I believe that the greatest disappointment, discontent, and dissatisfaction comes from the worsening of the economic situation. This year, we felt the peak of the deterioration experienced by the Romanian economy after December 1989, primarily reflected in the reduction of industrial production to half of 1989's production. This meant the closure of industrial units and the ensuing unemployment, with all its negative impact on the overall economic life and all the malfunctions generated by two phenomena: On the one hand, the internal process of dislocating and disorganizing the old centralized structures in our economic, which, nevertheless, caused malfunctions in the relations between the economic units in the country; on the other hand, the collapse of foreign markets as sources of raw and energy materials and as outlets for selling our products. Therefore, this situation has been reflected in unemployment, inflation, and particularly in the sometimes forced increase in prices that are naturally worrying the population. However, all this must be linked to certain processes that took place and are still taking place. I am referring to economic reform.

I believe that this year, despite somewhat justified criticism leveled at the inefficiency of certain governmental factors, certain managers in the economy, and other factors at the level of economic units, several major steps were taken to promote economic reform and ensure the transition to the market economy. I believe that a positive thing to note is the fact that, for the first time in three years, a coherent program and strategy was submitted to Parliament, which gives us an overall picture of: The meaning of economic reform and its competence; the ongoing restructuring at the macroeconomic level and the microeconomic level of economic, industrial, and agricultural units; the privatization process; and reforms in the economic, fiscal, monetary fields; and the social protection program, which outlines the measures to be taken in this respect.

Likewise, on the basis of this program, some of the most delicate measures in the sphere of economic reform were taken, such as withdrawing subsidies of basic products, that was achieved with a social price and that is going to have a year-long inflationist impact, and introducing the value added tax [VAT], a measure considered to be of utmost importance in normalizing the relations between the economic units in the national economy; in this respect, I notice that other countries with much more developed economies are also prudently introducing VAT. Proof of this is Switzerland, where a national referendum was recent held, rejecting the introduction of VAT. However, I maintain that its introduction in our country was an act of courage rather than an adventure, because it took about one year to work out this measure. Some criticism was heard to the effect that "this new form of taxes was introduced too late," while others criticized the moment chosen for its introduction. Of course it has had some negative effects too, but from observations made in recent months, it seems that a positive aspect of these measures is beginning to emerge, with VAT acting as a kind of normalization and efficiency lever. At the same time, certain measures were taken to liberalize the VAT, in the context of liberalizing overall trade relations in the country. This is part and parcel of the introduction of market laws. However, since our market is not sufficiently formed and does not yet have self-regulating mechanisms—the offer and demand, for instance, to not act as a factor for regulating the prices—this also permits the application of certain exaggerated measures. Consequently, the population's criticism in connection with certain economically unjustified price increases is welcome. These are instances of abuse and profiteering.

Some people even hurry to anticipate certain effects of the devaluation of the leu. For instance, whenever there is a change in the leu-U.S. dollar relationship, some people immediately proceed to raise prices.

Therefore, the economy has not yet acquired all the levers specific to an established market economy, so as to be able to control, through its own mechanisms, all these things. Therefore, it still needs more energetic intervention in the sphere of financial control. I asked the

government to do just that and to think of pushing through Parliament a legislative initiative stipulating some simple but very efficient measures aimed at penalizing all abuses with regard to exaggerated prices, which actually take advantage of shortages on the market. Therefore, I believe that, despite these expressions of justified concern, this year has marked important steps along the road of promoting reform process in Romania and I believe that there are several premises that can give us hope for the better and for better regulating these economic processes next year, particularly in the sphere of the productive activity. This year was marked by a trend that represented the major goal of the governmental program, namely stopping the production decline. If the industrial production last January was 17 percent lower than in the corresponding period of 1992, last April the industrial production was on a par with the production of April 1992; afterward, month after month, it has registered increases compared to the corresponding months of the previous year, so that, after three years of continuous and steady decline of the industrial production, this year we have the opportunity to halt the decline in industrial production.

Agriculture has registered good results; we have had a good agricultural year, and I believe that agriculture also has good chances to ensure that, in a relatively short period of only two to three years, it will take off and become a dynamic branch within the overall program for the country's economic recovery.

There are also other indicators: Exports have to register a certain growth after three years of very large deficits in our foreign trade. This has had a very severe overall impact, particularly on the national currency, and has also influenced the devaluation of the leu. This is due to the fact that we do not have currency reserves in our banks, particularly the National Bank; likewise, there are no infusions of money from abroad either. Of course, exports, and therefore foreign trade activity, can and must become the necessary source of hard currency to support, normalize, recover, and stabilize the national currency. Therefore, these trends in the sphere of exports, particularly apparent in the last three months, have led to a reduction—not yet a balancing—of the foreign trade deficit. This is another positive sign, which augurs well for the coming year.

One of our targets was to begin to redress investment activity. In 1990, we reduced the volume of budgetary investments by 10 times, from 300 billion lei at the leu's level in 1989, to only a third, that is 30 billion lei in 1990. This can still be observed throughout the activity of industrial and civilian investments, for instance, in various unfinished constructions. For the first time this year, we note a certain recovery of the industrial production, a modest one of only 6 percent. Nevertheless, it is a first indication of success regarding the effort we are constantly making to relaunch investment activity. It is true that, while this activity has come to somewhat a halt in towns, it has picked up in villages—I am referring in

particular to housing construction. Likewise, it also seems to be picking up in private enterprises.

Regarding economic reform, privatization is a more complicated sphere. However, I believe it is worth pointing out that 480,000 private economic units are registered today. This also includes small and medium-sized private units, some 240,000 of them, as well as other individual and family units, including the "make-shift stands" in the private trade sector that are less pleasing to the eye. However, I think that this sector has brought something to our economic life, namely a kind of dynamism, since it seems to employ some 30 percent of the manpower currently employed in our economy. Therefore, this is a positive thing that must be supported and encouraged.

There is an area where things are proceeding more slowly, namely large-scale privatization, which covers the big state enterprises, some 6,000 of them, that are the subject to the Law on Large-Scale Privatization. I believe that a certain amount of correct and justified criticism has been made here in connection with the inertia that dominates the activity of governmental entities, economic ministries, and particularly governmental agencies in charge of privatization and development, especially the State Property Fund and the Private Property Funds, which are not yet exercising all their prerogatives. This is a field that truly requires a concerted action by the government, its relevant funds, and the banking system. They must put together a cohesive and aggregate action to give impetus to this activity, along with the activity of restructuring, modernizing, and adjusting our industrial enterprises to the requirements of the domestic and international market. Therefore, this is a sphere where we will have to concentrate all the activity of both the executive branch and specialized institutions created for the sake of promoting economic reform. I believe that the legislative branch must keep abreast of this program. Unfortunately, Parliament's activity is hampered by many political controversies, all leading to a great waste of time. I also believe that certain critical remarks coming from the people in the street in connection with the Parliament's activity are justified, namely that the Parliament should reserve a few evenings or nights for political polemics and confrontations, while the effective time should be spent on proper legislative activity. There is a large number of draft laws primarily aiming at the economic reform, but also at other sectors, that are waiting for their turn to be discussed in parliament. Likewise, there are many other laws that need be immediately worked on and passed through Parliament.

[Valeriu] If you will allow me to say so, you seem to be well informed about the negative aspects. This makes me ask you another question: Do you believe that you, as president, should play a role in stopping this decline, both at the level of the industry and the national economy, but particularly with regard to the daily life of the citizens? Do you think that such a role is justified, can it exist, and is it necessary?

[Iliescu] Yes, it is imperative—of course, provided that it is exercised in accordance with the constitutional provisions that limit the prerogatives of the president and the institution of the presidency. Therefore, it should be exercised without exceeding the limits of these provisions and by taking into consideration the resources available to the president and the institution of the presidency in our political system. However, in the constitutional conception of this institution, the president is no mere figurehead, who does not interfere in the affairs of the legislative branch—here, I am in constant dialogue with the Parliament, since I am the one who promulgates the laws passed by Parliament—and who does not interfere in the affairs of the executive branch. Although the president has certain prerogatives in the fields of foreign and defense policy, he also has a say on key political problems of the country and, whenever necessary, the president is obliged to interfere. I also believe that we are at a stage in our development wherein the president is obliged to be present, at least as a stimulating factor for those institutions and elements of power that must do their duty to resolve the major problems with which the country is faced and ensure that the Constitution is observed. This is also what the citizens are asking for, because I do read quite a few of the letters arriving at the presidency's address. Some of these letters are addressed to me directly. I am also up to date with the press controversies on having room to maneuver and the president's involvement in the country, particularly in the economic situation.

For instance, with regard to the ongoing discussion about the fate of the Bucharest Heavy Machinery Plant [UMGB], I even took note of certain complaints from the UMGB workers, so that even my visit there did not contribute to solving the situation. However, the president's mission is not to solve such problems. Nevertheless, my presence there was not a mere formality. The head of FDS [expansion unknown] and the head of the relevant department, a former director general of the factory, were also there, at the factory, and we discussed a number of concrete remedies that must be implemented.

In this respect, not even the ministries and the governmental institutions can resolve the plant's problems. I believe that the managers should come up with a solution themselves. I received similar notifications from other places, too. Today, I received such a letter from the workers of Resita, about the problems facing their plant. I had the opportunity to talk to many managers, trade union leaders, and workers' representatives in a number of industrial units. All of them are facing difficulties. However, there are units that manage to find solutions through work, exploration of all avenues, and perseverance on the part of managers and the enterprise management.

For instance, I was pleasantly surprised by developments at the Dacia automobile factory, which is obviously confronted with great problems both internally and internationally, since it is now competing in a market

saturated by products of very powerful producers. Nevertheless, this plant has managed to find its balance and secure contracts for the next few years. I noted with satisfaction that Dacia cars have found their way onto the Latin American market and more recently on the African one. The same can be said of our ARO cross-country vehicles manufactured in Campulung; the factory has managed to find a solution for its problems. The same can also be said about our shipyards! Personally, I was worried that our shipyards might have a difficult time finding appropriate solutions for their problems. After all, they operate on the basis of long-term contracts, hence they need to have access to credits. They used to have a specific sales market in the past, but what about now? I wondered whether they will manage to adjust. Well, I noted with satisfaction that all of them have found pertinent solutions.

During my recent visit to South Africa, I talked to the partners of the Constanta shipyard, who were very satisfied with its activity. Therefore, if there is a will, there is a way. Since we mentioned UMGB, let us take the example of the Iasi Heavy Equipment Enterprise [CUG] of Iasi. CUG-Iasi is doing quite well, although it is smaller than UMGB. Therefore, I believe that it is up to the managements and collectives of economists, experts, and engineers to wrack their brains, find solutions, and show initiative. Of course, they might not always be able to sort everything out by themselves. Then, one should find the appropriate framework for assistance from the relevant central and financial bodies and so forth. It seems to me that one should correlate the various efforts in this particular case. This is how I perceive the president's role, namely as receptor of signals coming from society and as stimulator of those factors that should resolve the problem.

[Valeriu] My question referred to the living standard of the people, something that is of concern to you, as one can see from your statements and writings. The people are indeed, waiting. But you just referred to certain aspects of the industry...

[Iliescu] Well, economic activity has a direct impact on the people's lives. I did refer to a collective of people worried about losing their jobs due to threats of closure or irresponsible statements by some people such as "Why does the government interfere to save a bankrupt unit?" But UMGB is not a bankrupt enterprise! It is even a strategic unit for the Romanian industry, hence it is not only the duty of the people there to strive to find a solution, but also of other factors with nationwide responsibilities, who must ensure that these units are given appropriate assistance.

At the same time, I am also aware of the daily problems of the people in the street. I have already mentioned the price situation at this difficult time. All these matters are the subject of a constant dialogue I am conducting with the government on possible measures to be taken to meet the citizens halfway, to protect the consumer, and to help the more impoverished people. In this respect, I was glad

that the government came up with a few solutions to support the employees, pensions, and people with lower income. I also understand the concern of the trade unions. I fully share their concern with the gap that has emerged between purchasing power, salary levels, and rising prices. All this is also reflected in various statistics that show a reduction in the level of sales and services to the population—a direct proof of a reduction in people's purchasing power. This is a key indicator of the social cost of the hardships experienced by us now—the hardships of the current stage or transition toward the market economy—also caused by the deregulations that have occurred in the national economy and in the partnership relations we have had until now.

[Valeriu] Mr. President, how do you assess the accusations against the PDSR—and you understand why I am asking you this—in connection with the nonobservance of the initial program whereby it won the electorate and, let us say, the emergence of liberal ideas, which—as you know—are attributed to you. President Iliescu is the one who broaches liberal ideas... How do you assess these accusations?

[Iliescu] This question is not new. It was discussed even when electoral programs were formulated and presented; there were even discussions to the effect that we had borrowed ideas from each others' programs. In my view, one should not make any accusations in this respect because, after all, all these programs, if seriously formulated and seeking to penetrate the problems confronting the Romanian society, start from a given reality, an objective reality that is the Romanian society, the economy, and people's life. This is why it is natural for such programs, that, as I said, are seriously formulated, to overlap and have contact points or even close platforms.

The notion of liberal or nonliberal ideas and the idea of social protection, for instance, as well as the concept of a social market economy, are included both in the PDSR program and in the program of the National Peasant Christian Democratic Party [PNTCD]; and I think that this is natural.

This idea has gained ground in the West, too, and at the Crans-Montana World Forum a Swiss professor and banker was embarrassed to note the enthusiasm of an East European competitor over the "irreversible transition to capitalism"; he expressed his surprise at this, saying that the West is embarrassed to pronounce the word "capitalism"; even the German Christian Democrats speak of a social market economy in Germany. As you may note, not the Social Democrats, but the Christian Democrats.

Hence there are such overlaps in the political programs of certain modern parties in democratic countries; and it is normal for this to happen in our country as well. I do not think this means that the PDSR is abandoning its basic concepts, as far as I have been able to note; such a remark can be made of me, too—at the time of the

election campaign and when I was invested as president I showed up with a program somewhat similar to that of the PDSR; in it I promoted a strategy of economic recovery, of transition, and a modern market economy with well-defined social elements. This, I would say, is a common objective of all of Romanian society. What do we desire? At the political level, we want to consolidate the process of establishing a state governed by law with all relevant institutions and a democratic framework for developing public activity; at the economic level we want to build a modern, viable, and efficient economy based on modern equipment and modern technological progress that will be able to find the optimal way within the context of the inevitable integration in the world economy and the European economy, while ensuring appropriate social protection for all our country's citizens.

[Valeriu] Recently, maybe in the past seven or eight months, we noted two trends in some segments of the press, not only a "certain segment of the press," but also in some stances, speeches, and statements by politicians. One of them would be that the president, that is you, has a tendency to monopolize power and I would quote a specific example—my colleague Melinescu may elaborate on this—namely that our country's foreign policy is not made by just one person. On the other hand, however, I have also noted another tendency, namely that of involving the president in absolutely everything. This is why we asked you our earlier questions. Thus, the president is constantly asked to arbitrate, to intercede in absolutely any problem, no matter its nature—and this is his duty. What is strange, however, is the fact that, on the one hand, some three or four years ago you were accused of wanting to become a "fatherly figure" for the nation, and this second tendency, which I mentioned, leads you in that direction. What is your view on this?

[Iliescu] Here we have two connotations. One is purely political, that is it has a clear political and partisan connotation, which tries to convey things that have nothing in common with reality. It also reflects a state of mind, a certain inertia in perceiving relationship in our social activity by bearing in mind a certain historic tradition; this new reality has not yet been grasped, although it is reflected in our Constitution with the separation of powers in the state and a precise definition of the tasks of all executives.

Thus, as I said before, I have tried and I continue to strive, in everything I do, to abide by the country's Constitution by choosing the golden middle, because the two tendencies are always contradictory and have nothing in common with reality. No one in this world likes decorative institutions that represent only protocol figures. What is such a state institution good for? At the same time, there are certain laws in a democratic state with the separation of powers and this we have to learn in our practical activity.

On the other hand, some affirmations disregard the realities of political activity. No one minded when

Clinton won the elections in the United States and he took three months to set up his administration with tens of thousands of people being replaced. Thus, when political forces assume responsibility for the administration, it is normal practice to choose appropriate teams characterized by coherence in their activity. In our country, any attempt to replace someone is termed "nondemocratic." Thus it is clear that we are not talking of an objective, realistic, and democratic understanding of things, but of political differences that have no realistic basis.

In my view, we have to start from our own realities, from our psycho-social situation, and I hope that we will be able to achieve a normal and natural approach to things, and that we will understand realities and normal labor relations within state institutions.

[Valeriu] You see, Mr. President, recently ROMANIA LIBERA published a rather strange article, a sort of conversation with someone in the presidency in charge of interviews with people, and that article conveyed the idea that you receive letters from people who want to divorce, who want to marry, that you give autographs and so forth. Therefore I said that there are two tendencies. This is a first signal, but, since it is given by an important paper, I thought that something must be happening. I do not know whether you have read it or whether you have been told about it. And the same paper also carried two articles about the Constitution, which, actually, explained the problem.

[Iliescu] This article had two sides. First it reflects tangible information. This department for interviews and letters systematically provides me with summaries on what the thousands and tens of thousands of letters that arrive at the presidency within a given period of time contain; they are sorted out according to "subjects," areas, and kinds of problems. The article in question presented a summary on what the letters addressed to the presidency contained and on the basis of these letters one can also detect certain problems. When you read such things, it depends how you read it and what you select and retain from it.

I have read this summary and do so systematically; sometimes I even read letters, as I said; it is, how shall I put it, the natural reaction of a man who approaches the authorities that should solve problems. They do not solve them and then people go to the higher authorities to help resolve them. It is sort of a complaint to state or local administration bodies that must solve citizens' problems. Sometimes they do not solve them because they are unable to do so, they do not have the necessary means; but people should be informed even of this. Often there is not the patience to listen to people's complaints, provide clear answers, and help as much as possible. Other times, how shall I put it, there is a lack of understanding for citizens' problems and this custom of "taking people for a ride" without... does not only not solve problems but does not provide any moral support either.

[Valeriu] I have the impression that there is an attempt to play things down; this is my impression, but, maybe I am wrong.

[Iliescu] ... and on the other hand it is true. This is why I said that there are two connotations in interpreting these questions. It was the article's connotation on the way these things are interpreted.

[Melinescu] Mr. President, to begin with I would like you to elaborate on the statements you made after the visits to European, Latin American, and African countries in an effort to explain the contracts concluded and what is being accomplished with such discussions and talks considering that such visits and meetings by chiefs of states is a world practice on which the press focuses more and more.

[Iliescu] Those who follow international activity may note this very thing these days, namely the increasingly more active, extensive, and diversified presence of chiefs of states and governments in international activity, both through bilateral contacts and through participation in multilateral meetings and actions organized by international bodies. And direct, personal contact between people with political responsibilities is a necessary component of diplomacy today; through diplomacy we understand the involvement of all state dignitaries, including chiefs of state.

I have also read all sorts of interpretations of these visits, as well as attempts to ridicule or to... but this belongs to the periphery of our society and journalism. I approach such things with the patience or nonpatience they deserve. I think that things should be viewed within the given context of our international political activity. As a matter of fact, if we talk about such connotations, you were able to see for yourself that both extremes are present. When we had periods of more limited international contacts, there were speculations to the effect that "we are not taken into consideration," and that people are avoiding us. The moment these contacts intensified, there were such comments as "why so much travelling through the world" and why so much international activity, while ignoring domestic problems, the problems at home.

In such cases, we cannot talk of a correct and objective position and of judging things.

Insofar as the benefits, the advantages these contacts bring to the country are concerned, I do not think we even need to talk about that. What marked our political activity in the past year was especially the result of efforts made Romanian diplomacy, the government, parliament, politicians, including the country's president in the past three or four years at all levels to improve our bilateral and multilateral relations on the European continent, outside it, and within international bodies. And I think that the results are only beneficial; this is already reflected in economic activity and will do so in the country's future economic recovery.

[Melinescu] One of the opportunities for multilateral international dialogue was the Francophone Conference, which, in the international press, enjoyed, if one may say so, the counterbalance of the Anglo-Saxon group that wanted to reduce the importance of this association in order to enhance its own importance, of course. Within the current context, would you, please, say a few things in connection with our participation and association due to Romania's closeness to France in the pre-war period.

[Iliescu] Accidentally this Francophone meeting was held in a country—the Island of Mauritius—that belongs to the two international communities that have been very active lately. On the one hand, it belongs to the Francophone world and is part of the 47 members states of that movement; on the other, it belongs to the Commonwealth. The prime minister of Mauritius, who hosted this meeting, hastened—after the conclusion of the Francophone meeting—to leave for Cyprus to attend the Commonwealth meeting.

Thus, in the context of the development of the international activity, one can note, as I said before, the emergence of many such international bodies that represent the framework for interstate relations. If, however, we are talking of a number of representative communities, I have mentioned two: the meeting of the Francophone countries and of the Commonwealth; but there is also the Latin American and the Hispano-Latin world that has become very active lately. This is the organization of the Latin American states within which, among other things, Romania also enjoys observer status; it was admitted as such and participates in some of the activities of that organization.

Thus, international activity is marked by the presence of such bodies. It would be, I should say, completely abnormal for Romania to isolate itself, including when it comes to such bodies. On the contrary, I think that what marked the Romanian political activity after December 1989—I am talking of the December revolution program, the ten points of the 22 December Declaration, and the constant foreign political line promoted not by the president, but by the country—was this very opening to the world, our more and more active presence, and the utilization of all bodies and possibly of the international framework in order to join Romania to international political activity.

The Francophone organization is such a framework and during the recent summit conference in Mauritius it was enriched with new, more modern connotations, namely with the goal of playing a more active role in the way current international problems are approached and solved, in the promotion of political stability throughout the world, and—on the other hand—in the development of economic relations, because that community consists, to a great extent, of countries situated in the southern hemisphere, of a large number of African states that have a keen interest in a multitude of problems—that have become more and more visible in the international

arena—related to the phenomenon of underdevelopment, that is, the extremely grave phenomenon of the continuously deepening discrepancy between the rich and poor countries. That issue was also approached last year during the state leaders' conference held in Rio de Janeiro on the balance of environmental factors and economic development, as well as this year, during the summit conference on human rights held in Vienna, which was a Council of Europe conference, to which Romania was accepted as a full member. At the Vienna conference another aspect was highlighted, namely the right to development as a fundamental human right, one that should be included in all international regulations. The participants also stressed, as one of their major concerns—a major concern for the developed countries as well—the need to take action on the international political and economic plane in support of the efforts of countries—and here they referred to the countries undergoing transition in the geographic area in which our country is situated, but also to the underdeveloped countries—to lessen that disparity, as in a short-term perspective that is a major problem in maintaining international stability.

[Melinescu] I remember that two years ago, right here, at Cotroceni Palace, we were able to report on a full identity of views with respect to a major political event of those days, namely the [1991] coup attempt in Moscow. The majority of the political parties represented in Parliament had identical views on that issue and that is what makes me ask you to what extent you think the dialogue aimed at the elaboration of Romania's general foreign policy strategy—I do not mean the strategy of the government or that of any of the political parties—could be institutionalized so that the basis would become broader than, let's say, just the group of counselors you currently rely on?

[Iliescu] A similar kind of interconnection and identity in our assessments and stances became manifest during this year's events in Moscow as well, related to which, but also related to other events, in my opinion, all the political forces in our country shared exactly the same views.

Recently I held a meeting with representatives of a number of parties in connection with the planned celebration of 1 December, the 75th anniversary (of Romania's unification with Transylvania), during which we managed to agree that the event be turned into a manifestation of our national unity by ridding ourselves of certain dissimilarities between our views as well as certain suspicions that have also been fuelled by incidents that occurred during the 1990 celebration of the event in Alba Iulia. I believe that we managed to reach such an agreement and I hope that the coming event will really be an occasion to manifest that unity of ours.

However, your question reminded me of another issue I have been thinking about for quite a while now, and about which I intend to somehow take the initiative, namely the vast problem of elaborating a national

strategy for our economic and social development. Of course, both the government and the political parties have their own programs related to the program of our transition process, economic reform, and, generally speaking, all problems facing our economy. I believe that we should find a way to blend the efforts made by various political forces to promote national interests, and I also think that looking at things from that angle, the elaboration of such a national strategy could also serve as a real platform for the blending of efforts made by all our competent people who are well trained in the fields of economy, the social predicament, and political situation, and who could engage in such joint efforts.

I have mentioned this before, during the [1992] electoral campaign, and recently I have had several contacts on that issue. Starting from the experience we gained in the first half of 1990, when a large team, consisting of 1,000 persons, managed to sketch the trail of our transition toward market economy, I would like us to repeat that achievement, albeit at a new level, and work out such a strategy. I would like us to begin relying on a nucleus of highly valuable persons, experts in the domain of macroeconomics and fundamental economic processes, who, together with other experts and the staff of the National Institute for Economic Studies, would become the founders of such a platform, after which we could, of course, establish a framework that would permit the admission of, as you suggest, of the political parties—they could send their own experts—trade union representatives, academy members, and other scientific and social personalities, who could all engage in such a continuous dialogue related to that joint action program, and who could also offer assistance both to the political parties in the elaboration of their political programs and the government in the working out of programs designed to solve our economic problems.

[Melinescu] My question had to do with Romania's international activity and to its foreign policy, because the context within which our country is moving and acting has changed for the better owing to the fact that Romania was accepted as a full member of the Council of Europe, and was granted most-favored-nation status by the United States of America; under the current circumstances there is great need, as you said, of an undivided viewpoint and strategy. What I wanted was your analysis of that new context created by the two events I mentioned, as well as by other things.

[Iliescu] I would also include the Common Market.

[Melinescu] Yes, of course.

[Iliescu] Including our association to the Common Market and the ratification of Romania's association by the authorities of the Common Market.

Well, you are perfectly right. It would be very important for us to turn to the best possible account that new context that has been achieved by means of our international relations. Related to your question, I would even

mention it as a positive fact that all the things undertaken or the contacts initiated by the president do not represent exclusively the personal policy of the president, but rather they are integrated within the larger context of our country's foreign policy, and it can be added to the activity of Parliament, the government, and the Ministry of Foreign Affairs, all of which actually have closer international contacts. About two years ago a consultative council was set up at the Ministry of Foreign Affairs and all [parliamentary] political parties are represented in it. Thus, we do receive the echo of the political parties' stances, and it is an appropriate framework for the various political forces to blend their efforts, assessments, and approaches related to various issues.

However, the idea expressed in your question refers to the issue I discussed initially, namely that we have to know how to turn the current favorable international political context to our own economic advantage. This is really a very serious issue; that is why during a meeting I had with the leadership of the government I requested that very concrete program be elaborated in that sense. On the one hand, for the Common Market. The Common Market remains our principal partner. About 40 percent of all our international commercial exchanges are being performed with developed European countries, mostly with the Common Market. That is why the government has set up a special nucleus, a special compartment, a department solely dealing with the Common Market. Among other things, the Common Market also means [knowing] over 400 laws that regulate relations among the member states and the ones associated to the Common Market. This means that whoever wishes to engage in business in that context—I am also referring to the representatives of our companies—has to know very well the legislation within the economic community. I mean that could also be the subject of permanent efforts intended to fully comprehend the juridical framework regulating relations with that community.

Now we have been granted [most-favored-nation] status. President Clinton signed the document of the commercial accord, that is, the granting of the status. We will have to turn that to good account. Certain things have already been done, for instance the minister of trade briefed me on the recent Chicago conference of the Romanian-U.S. Economic Council, as well as the talks that were held in Washington, where many U.S. companies display readiness and favor furthering partnership relations with our companies. We have been visited by the representatives of OPIC [Overseas Private Investment Corporation] who are dealing with the issue of U.S. investments in Romanian economy and who were highly interested in such investments.

This means that using such circumstances to our benefit is an absolute must for our government, their specialized bodies, and our companies. We cannot conceive our [economic] recovery without an international context that also includes other areas of importance to us, even if they are far away, such as markets in Latin America, and

China; the quite dynamic area of Southeast Asia; the African market and its very interesting partner, South Africa, which has proved to be very strong; and, of course, our traditional partners in neighboring countries, who are undergoing similar processes to ours; or in countries in the Middle East, the Arab countries, that have been and still are our important partners. In conclusion, yes, it is quite important for us to know how to turn that new context to good account.

[Melinescu] I thank you very much, Mr. President.

[Valeriu] I thank you very much, too, and I hope that our viewers are satisfied by this hour we have spent together close to your office, and that they were able to hear answers to their own questions. We thank you.

[Iliescu] I would also like to thank you for this air time given to me by Romanian television.

WEU's Smith Views European Security

AU1811063693 Bucharest ROMPRES in English 1924 GMT 17 Nov 93

[Text] Bucharest ROMPRES, 17/11/1993—A round-table conference took place at the Bucharest Euro-Atlantic Center on November 17, on "Security and Stability in Europe," to which was invited Sir Dudley Smith, chairman of the Parliamentary Assembly of the Western European Union [WEU], now visiting Romania.

The proceedings were presided over by Chamber of Deputies Deputy Speaker Ion Ratiu. The attendance included Romanian parliamentarians, government officials, members of the National Defense Collegium, ambassadors, and other members of the diplomatic staff accredited to Bucharest.

Sir Dudley Smith surveyed in his address the European geopolitical situation over the past 50 years, stressing the necessity that all countries in the continent should participate in peace-keeping in Europe.

During the talks the problem was touched of association and then integration of the countries in Central and Eastern Europe in the WEU structures. An analysis was also made of the way how the Danubian countries cooperated with the WEU for the observance of the embargo on the Danube River imposed on Yugoslavia.

Answering a question referring to the likelihood that Romania's union with Moldova affect security in the continent, Sir Dudley Smith said he believed the countries should do what they wanted to. Account had to be taken of the will of the majority. For instance, the reason why Great Britain protected the citizens in Northern Ireland against the terrorist organizations, he explained, was that most of the Northern Irish wanted to belong to Great Britain. Such a problem emphasized the necessity of existence of bodies apt to maintain stability in the continent, he said.

Sir Dudley Smith, chairman of the Parliamentary Assembly of the WEU was received on 17 November by Romanian Foreign Affairs Minister Teodor Melescanu. Sir Dudley Smith said they were very pleased with the efficient way in which Romania applied the UN sanctions on Yugoslavia. He added after the interview with the Romanian foreign minister that he discussed with the Romanian chief diplomat the possibilities of association of the East European countries to the WEU and said that a favorable solution of the issue with the ministers of the member countries was possible.

Talking about the meeting of the two dignitaries, foreign ministry spokesman Mircea Geoana said the two parties discussed also other matters, such as the WEU institutional evolution, the redefining of the partnership relations with the associated countries, and that a decision would be made in that respect this month at the meeting of the WEU committee of ministers in Luxembourg.

The relations between the WEU and NATO and between NATO and the East European partner countries too, were discussed in the same context.

Iliescu Meets Union of Croats of Romania Leader
*AU1811202193 Bucharest ROMPRES in English 1508
GMT 18 Nov 93*

[Text] Bucharest ROMPRES, 18/11/1993—"We are proud about living in country where democracy is not a void word but reality," said the chairman of the Union of Croats of Romania, Mihai Radan, received on Thursday by President Ion Iliescu, along with other members of the union's leadership.

Asked to comment on the possible connection between his interview with the Romanian head of state and the impending visit in Romania by the president of the Republic of Croatia, Mihai Radan said the discussions at Cotroceni Palace approached "the own and specific problems of the Croatian minority." Radan showed satisfaction with the way "the interests of the ethnic minorities are currently protected" and with the efficient activity of the Council for Minorities.

Silajdzic Warns of 'Humanitarian Catastrophe'

AU1811135393 Split SLOBODNA DALMACIJA in Serbo-Croatian 18 Nov 93 p 3

[Interview with Bosnia-Herzegovina Prime Minister Haris Silajdzic by Ruzica Mikacic in Split; date not given: "Silajdzic: Everyone in Bosnia Will Suffer"]

[Text] Split—On their way from Sarajevo to Geneva, the delegation of the Bosnia-Herzegovina Muslim Government, led by Prime Minister Silajdzic, made a brief stopover in Split, where they were met by Bisera Turkovic, Bosnia-Herzegovina consul in Croatia. As we know, UNHCR's Sadako Ogata invited the representatives of the three warring factions in Bosnia-Herzegovina to come to Geneva for talks on an unhindered passage of humanitarian convoys. Despite announcements that they would not travel to Geneva, the Bosnian delegation from Sarajevo arrived in Split on a U.S. Hercules, and later headed for Geneva on board a French aircraft.

Asked with what aims he was travelling to Geneva, Haris Silajdzic said for our newspaper:

"We are going to Geneva with the primary aim of feeding the population and protecting it from the cold this winter, of opening the corridors for the passage of humanitarian aid, but we will insist with the European Community that the plan on the protection of these corridors be completely implemented. So far we have had guarantees, but they did not help at all. The situation is extremely dramatic and about 2 million people are certainly in mortal danger. If these humanitarian corridors are not protected, we will face the worst humanitarian catastrophe in this century. All the guarantees so far since the start of the aggression against Bosnia-Herzegovina have meant nothing. People must be forced to let the convoys through, the corridors must be protected by force, and the mandate regarding that must be clear. There is no other way. This is the only way to make sure that the population survives. We cannot abandon the population that is waiting for food and warmth."

Asked which part of Bosnia-Herzegovina he was referring to, Silajdzic said that it was "primarily Mostar, Jablanica, central Bosnia, Maglaj, Zavidovici, Gorazde, and Tesanj. We do not know exactly what is happening in central Bosnia, but there is a large number of refugees hiding in the woods. Horrible things are happening."

"We believe that everybody who stops a convoy should be punished. We are going to Geneva in the hope that some results could be attained regarding this issue. However, the meeting of the foreign affairs ministers of the European countries is to take place on 22 November, and it is there that the decision will be made on the protection of the humanitarian corridors."

At the end of this brief interview at the airport, Haris Silajdzic expressed the wish to say the following:

"If hostilities are not stopped in Bosnia everyone will suffer. One thing is certain: Hunger and the cold do not

distinguish between Croats, Bosniaks, and Serbs. People in Bosnia-Herzegovina are living in the woods and caves, they are making fires, they are living as if in the Stone Age. The only way to stop an even greater catastrophe is for the people to return to their homes. The ideas about moving dozens of thousands of people have to be stopped. We all have to persist on that. The Bosnia-Herzegovina Government has repeatedly called on the people, particularly the Croats, to stay in their homes as the Bosnia-Herzegovina Army is guaranteeing their safety. But the psychosis of fear has taken over...."

"The experience of the Croats has not been such that they could trust that!" we said.

"As for the experience in Vares, there was no retaliation for Stupni Do. There were incidents, looting. The people who wanted to leave were allowed to leave, but there was no killing. The same will be the case in the other parts where the Croats stay, and they have to stay. Where can they go?" Haris Silajdzic said exclusively for SLOBODNA DALMACIJA prior to the start of the Geneva talks on Thursday [18 November]. The Sarajevo delegation also included Nijaz Durakovic, Mustafa Bijedic, Stjepan Siber, and Talat Sulejmani.

Geneva Discussions on Humanitarian Relief Convoys

Leaders Preview Talks

AU1811124793 Paris AFP in English 1142 GMT 18 Nov 93

[Text] Geneva, Nov 18 (AFP)—Talks on vital humanitarian relief for Bosnia between the UN High Commissioner for Refugees and top Bosnian military and political leaders began here on Thursday.

"I am very optimistic," the UN High Commissioner Sadako Ogata said as she arrived for the talks in the Palace of Nations, where she was to meet leaders of the three warring sides separately before trying to bring them together into the same room.

Overland convoys into central Bosnia were suspended by the United Nations last month after the killing of a Danish truck driver and the UNHCR has warned that only half the needed winter aid was getting through.

Ogata said the Geneva meeting was necessary "to get through the winter." "We have to face the winter. Supplies are in place and we must be certain that the HCR will be able to get through."

Bosnian Foreign Minister Haris Silajdzic said Bosnia was threatened with "a human catastrophe" if aid convoys were not protected by the UN Protection Force (UNPROFOR). "The guarantees are not enough. We need safe humanitarian corridors protected by the force," he said.

The leader of the Bosnian Croats, Mate Boban, said he was in favour of better access for humanitarian aid, "But

as always in Bosnia Hercegovina, that depends on three parties. That is the problem."

The leader of the Bosnian Serbs Radovan Karadzic said he hoped that "all the people of Bosnia, Serbs, Croats and Moslems, will survive the winter." He blamed the current impasse on the Moslems, saying "We have come to facilitate things." Before leaving Belgrade, he told the television WTN that he believed an agreement could be reached on the free passage of humanitarian convoys and that the Serb side would not set too many conditions.

"The convoys just need to be announced in advance and they will not encounter any problems when they cross Serb territory," he said. On Wednesday he told the TANJUG news agency that he would ask for a fairer distribution of aid in Bosnia.

Agreement Reached on Aid Convoys

LD1811193893 Belgrade TANJUG in English 1910 GMT 18 Nov 93

["Pool" item]

[Text] Geneva, Nov 18 (TANJUG)—The leaders of the three warring sides in the former Yugoslav Republic of Bosnia-Herzegovina on Thursday [18 November] in Geneva signed a declaration giving safe passage guarantees for U.N. aid convoys across Bosnia this winter.

In the six-point document, the chiefs of the Bosnian Moslems, Croats and Serbs—at war over the past 20 months—pledged to halt the fighting to enable relief aid deliveries, free and safe routes and their opening for convoys.

The declaration, signed by the U.N. High Commissioner for Refugees Sadako Ogata, Bosnian Serb republic President Radovan Karadzic, Croatian Herceg-Bosna President Mate Boban and Bosnian Moslem Prime Minister Haris Silajdzic, calls for the unhindered and safe movements of U.N. personnel and of international humanitarian organizations.

The signatories also agreed to enable UNHCR and the International Committee of the Red Cross (ICRC) to determine the content of the relief aid which should primarily contain winter clothing and materials, heating gas and other fuels urgently needed by the civilian population.

UNHCR and ICRC will also control whether the humanitarian aid is used for war aims.

The three warring sides agreed to monitor that the humanitarian aid reaches only the civilian population. The declaration calls for the liberation of all illegally imprisoned civilians in camps in Bosnia, in keeping with ICRC provisions.

UNHCR Chief Comments on Signing

AU1811183693 Paris AFP in English 1825 GMT 18 Nov 93

[Text] Geneva, Nov 18 (AFP)—Leaders of Bosnia-Herzegovina's three warring communities pledged on Thursday [18 November] to stop blocking humanitarian aid, UN High Commissioner for Refugees (UNHCR) Sadako Ogata said.

"The parties were able to sign a joint declaration," she said. "It contains six points that we considered as absolutely necessary to carry out humanitarian assistance."

As a result of the signing, Ogata said she would recommend to UN mediator Thorvald Stoltenberg to resume UN humanitarian convoys, suspended since October 25 after the killing of a Danish truck driver. Humanitarian organisations estimate that at most half the needed winter aid is getting through.

The talks were convened by Ogata, who called on the Bosnian leaders to open up "humanitarian corridors" and warned them that they would have to take responsibility for their decisions. "I am very happy that we could all be together here and that an agreement could be reached to avoid a catastrophe," she said.

The meeting brought together the leaders of the Bosnian Serbs, Radovan Karadzic, Croat leader Mate Boban and Bosnian Prime Minister Haris Silajdzic.

They guaranteed to hold their fire while aid convoys were passing through, and allow "free and unconditional access by the most effective land routes," the declaration said. It also guaranteed "complete and secure freedom of movement" for all UN and international humanitarian personnel.

They also pledged to let the HCR [High Commissioner for Refugees] and the ICRC [International Committee of the Red Cross] determine, "without any conditionality or linkages the content of humanitarian assistance, including priority winterisation needs and all materials, supplies, gas and other fuel necessary for the survival of the civilian population."

Finally, they pledged to "release, in accordance with the principles of and arrangements made by the ICRC, all civilians unlawfully detained."

During the meeting, European Community mediator Lord Owen conferred separately with the three leaders to discuss a possible resumption of the peace talks, stalled since the rejection in September of a UN plan.

Owen, said conference spokesman John Mills, took advantage of the first meeting of the three rival Bosnian leaders since September to try to determine whether to seek a solution "on the basis of the Geneva plan," which dealt with Bosnia only, or on the basis of a broader agreement.

Meanwhile, a source at the International Committee for the Red Cross confirmed a press report that the ICRC had suspended since November 9 its efforts to send aid to 140,000 Moslems surrounded by Serbs in Bosnia, particularly in Zenica. The measure, the source said, was taken because of Serb obstruction and was a response to the "roughness of Balkan customs."

ICRC President Cornelio Sommaruga, who attended the UNHCR talks, called on the Bosnian representatives to stop using aid as a bargaining chip for military and political concessions.

In Geneva, Silajdzic called for a military protection of the aid convoys by the UN peacekeepers (UNPROFOR) [United Nations Protection Force], saying that unless this could be guaranteed Bosnia faced a "human catastrophe."

In Paris, French Defense Minister Francois Leotard said he wasn't against such a move, which he called "using force in the service of good." A total of 59 UNPROFOR troops and 10 aid workers have lost their lives in the Bosnian conflict.

Karadzic, Silajdzic Discuss Possible Peace Talks

Karadzic on Talks Without Mediators

LD1811213493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1924 GMT 18 Nov 93

[Text] Geneva, 18 Nov (TANJUG)—The leader of the Bosnian Serbs, Radovan Karadzic, this evening indicated the possibility of further meetings of the warring sides in Bosnia and added that those negotiations could take place without mediators.

The joint declaration establishes and puts firm links on what already partially exists—the free passage of humanitarian convoys, the president of the republic of Srpska in Bosnia-Herzegovina said in a statement for TANJUG.

According to Karadzic, the international community obviously counts on the fact that the war in the territory of the former Yugoslav Republic of Bosnia-Herzegovina will continue during the winter. Its efforts are consequently more centered on the provision of humanitarian aid than on restoring peace, Karadzic said, adding that it was obvious that the UNHCR and the ICRC [International Committee for the Red Cross] hoped for closer encounters between the warring sides. "In the diplomatic vacuum this might be a half step towards further meetings between the warring sides," Karadzic stressed, adding that the Serb Republic advocated such approach.

The sides in conflict could have bilateral and tripartite meetings without mediation. Naturally, agreements should be reached and signed in the presence of conference cochairmen Lord Owen and Thorvald Stoltenberg because of the international community's guarantees, Karadzic believes.

As far as this signed document goes, Karadzic stresses, the Serbian side is satisfied with its substance since it is not its aim to cause the suffering of Muslim and Croatian populations.

"We believe that following this declaration the attitude of the UNHCR and Red Cross to the Serbian side will be more balanced as because it has so far been receiving only 11 percent of the total of humanitarian aid," the president of the republic of Srpska says.

As far as convoys traveling through central Bosnia are concerned, Karadzic stressed, the republic of Srpska will enable convoys to reach Zenica via Krajina, from Gradiste via Banja Luka, Jajce, and Turbe. Karadzic noted that the republic of Srpska had been giving such guarantees even on earlier occasions as it refused to let UNPROFOR [UN Protection Forces] units reach Banja Luka.

The Serbian side rejected the UNHCR's proposal for the opening of Tuzla airport, Karadzic went on to say, and stressed that a peace must be signed first. Until then, he assessed, Belgrade airport can be used. Once a peace agreement is signed the airports in Tuzla, Banja Luka, and Mostar may be opened at the same time, Karadzic said.

Territory, Status of Sarajevo Discussed

AU1811205693 Paris AFP in English 2045 GMT 18 Nov 93

[Text] Geneva, Nov 18 (AFP)—Bosnian Prime Minister Haris Silajdzic, a Moslem, met here Thursday [18 November] evening with Serbian Bosnian leader, Radovan Karadzic, diplomats said. They said the two discussed territorial claims, political questions and the status of Sarajevo.

The two Bosnians also met with European Community mediator Lord Owen, who is trying to determine whether peace efforts should resume with a modified version of the peace accord rejected by the Bosnian Government in September or with a broader plan.

The meetings took place after the two, plus Bosnian Croatian leader Mate Boban, signed a document pledging to allow humanitarian aid to go through central Bosnia, in a meeting chaired by the United Nations High Commissioner for Refugees, Sadako Ogata.

Silajdzic Backs 'New Round'

LD1911014693 Belgrade TANJUG in English 2356 GMT 18 GMT 93

[Text] Geneva, November 18 (TANJUG)—Bosnian Moslem Prime Minister Haris Silajdzic on Thursday announced a new round of talks on Bosnia-Herzegovina in the near future.

"We must hope. Although no agreement was reached today on holding a formal meeting soon, it will take place

nevertheless," Silajdzic said after meeting with Bosnian Serb Leader Radovan Karadzic in Geneva.

Karadzic on Thursday launched an initiative for holding bilateral and trilateral talks of the three warring sides (Bosnian Moslems, Serbs and Croats). He said such talks could be organized even without international mediators.

The Moslem prime minister also said he was "a little less pessimistic" in view of a possible end of the 19-month civil war in Bosnia after the meeting. The three confronted sides signed in Geneva on Thursday a joint declaration guaranteeing unhindered passage of humanitarian convoys.

'More Bilateral Talks' Supported

*AU1911081393 Paris AFP in English 0101 GMT
19 Nov 93*

[Excerpts] Geneva, Nov 19 (AFP)—Bosnian Serb leader Radovan Karadzic met Bosnian Premier Haris Silajdzic here Thursday [18 November] and called for more bilateral talks to resurrect the Geneva peace plan. Silajdzic's Moslem government rejected in September.

"We would like to have bilateral meetings concerning the Geneva peace package that could be revived," Karadzic told journalists after the meeting. He said he was ready to make concessions to reinstate the plan, turned down by Bosnian Moslems, who are pressing for three to four percent more land than the 30 percent they were allocated under the plan. Of the concessions he said: "Let's talk about quality, not quantity."

Silajdzic pointed to a "lack of trust" between the two sides, but singled out Bosnian Croat forces as the main stumbling block. "The problem is the fighting," he said. "In central Bosnia, the Croat forces are attacking us in large numbers, with tanks and helicopters."

He described the atmosphere at Thursday's meeting as "rather positive," adding: "The important thing is that we met." [passage omitted]

Silajdzic doubted the aid would resume immediately. The weather, the availability of trucks and of food would determine when the relief operation could get started again. He said: "There will be a suspension of hostilities when the convoys come. Let's hope there is a general suspension, but it is difficult to believe."

Karadzic on Reviving Peace Accord

*LD191114893 Belgrade TANJUG Domestic Service in
Serbo-Croatian 1055 GMT 19 Nov 93*

[Text] Geneva, 19 Nov (TANJUG)—I do not believe that the signing of the joint declaration will contribute to the improvement of conditions for the work of humanitarian organizations in the second wartime winter in Bosnia-Herzegovina, the republic of Srpska president Radovan Karadzic, told TANJUG prior to his departure from Geneva today.

Assessing that the chances for the improvement of the situation were slim without the signing of a peace accord, Karadzic stressed that the Serb side was interested in the continuation of bilateral and trilateral talks with the other parties to the conflict.

"I am convinced that the Geneva package, that is the Bosnia-Herzegovina peace agreement, is still valid and that it should therefore be revived", Karadzic underlined.

The republic of Srpska president announced meetings between the representatives of the warring sides at Sarajevo airport next week, recalling that such bilateral meetings were being held regularly following the signing of the declarations between the Bosnian Serbs, Croats, and Muslims in Geneva in mid-September.

The Serb side is ready to return to the Muslims the concessions it had withdrawn earlier, Karadzic said, insisting that the percentage of territories was not important, but the quality.

UNPROFOR: HVO Still Blocking Aid Route

*AU1811134793 Paris AFP in English 1319 GMT
18 Nov 93*

[Excerpts] Sarajevo, Nov 18 (AFP)—A major relief route through central Bosnia remained blocked Thursday [18 November] as top political and military leaders met in Geneva to discuss Bosnia's looming aid disaster graphically illustrated by a string of incidents.

The Geneva meeting was given added urgency as UN aid officials said five patients had died in an isolated mental hospital in government hands near Sarajevo. [passage omitted]

Meanwhile, the Bosnian Croat HVO was maintaining its blockade of a key aid route linking southern and central Bosnia.

"Route Diamond remained closed with the HVO checkpoint near Gornji Vakuf having indicated that it was under orders to fire on any vehicle attempting to pass," said Major Idesbald Van Biesebroeck, spokesman for the UN Protection Force here. [passage omitted]

'Chetniks' Stop Humanitarian Convoy for Gorazde

*AU1911115593 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1100 GMT 19 Nov 93*

[Text] Yesterday chetniks stopped the humanitarian convoy for Gorazde in Podromanija, as they have done so many times before. The Red Cross and the Center for Social Services told us this morning that the situation regarding the welfare of the population and the refugees was extremely critical due to the lack of food; if the humanitarian aid convoy does not arrive within a couple of days, there is a danger of a humanitarian catastrophe.

The new group of UN military observers has not arrived in Gorazde, as they were also stopped by the chetniks on the road to Gorazde.

During the night the aggressor continued to fire provocatively along all the front lines on the Gorazde territory using anti-aircraft machine guns and small arms. They occasionally fired 82-mm mortars, while from Karacici they fired anti-aircraft guns.

Serbs, Muslims Agree on Natural Gas Deliveries

LD1911015293 Belgrade TANJUG in English 0019
GMT 19 Nov 93

[Text] Belgrade, Nov 18 (TANJUG)—Bosnian Serbs and Moslems agreed on Thursday to cooperate in supplying natural gas throughout the territory of war-ravaged Bosnia-Herzegovina, Moslem-controlled Radio Sarajevo said.

According to REUTERS, the agreement was reached by Moslem minister without portfolio Hasan Muratovic and Bosnian Serb Vice-President Nikola Koljevic, who met at Sarajevo Airport.

Bosnia receives natural gas from Russia by way of a pipeline which runs through Serbia. The U.N. sanctions committee should on Friday again review Russia's request to export natural gas to Yugoslavia (Serbia/Montenegro) for humanitarian purposes.

Moslem and Serb sections of Bosnia have been receiving gas intermittently, with long breaks between deliveries, says REUTERS and adds that most high-rise buildings in Sarajevo are gas-heated and that many parts of the city received gas today.

Bosnian Serb and Moslem authorities have also agreed to give U.N. engineers safe and free passage to all installations for the transportation and distribution of natural gas for purposes of inspection and maintenance.

Izetbegovic Presents Military, Political Overview

AU1811154693 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1400 GMT 18 Nov 93

[Statement by President Alija Izetbegovic of the Bosnia-Herzegovina Presidency upon his return to Sarajevo from a tour of the free territories; date not given—recorded]

[Text] First, we are not giving up on Bosnia-Herzegovina, but the question is how to get Bosnia-Herzegovina. I have said that I see the struggle for it on two stages. I would call one of them the military stage, and the other the political stage.

We have to conduct the military stage of the struggle until we attain the things set out by the Assembly with [words indistinct] we accept the concept but on condition that the territories populated by the majority Bosniak people [words indistinct]. We will persist with

this, along this path. If this is not possible, we will have to do all we can to [words indistinct]. That is one thing that we could perhaps (?achieve) militarily.

Should we continue the war until we liberate, for example, Trebinje, Drvar, and so on, and Banja Luka, or should we do it in a different way? I personally believe that we should do this politically. How? We have to create a region on the free territory under the control of the Bosnia-Herzegovina Army in which law will govern, a region in which civilization will have been salvaged, in which democracy will rule, and a region where one basic law will be in force: No one on that territory will be persecuted for belonging to a religion or a nation, be it Muslim, (?Serb, or Croat). Therefore, we have to introduce such a model [words indistinct] This should be combined with a free market economy, and people have to be returned here from exile. We should start the reconstruction, the rebuilding of all this, so that all the conditions are present. Things are already being built even under these conditions. One day, if we have open roads, I hope that—thanks to the fact that this is the most developed area of Bosnia-Herzegovina [words indistinct] but where the industrial traditions are, together with a lot of educated people [words indistinct]. Then through the force of our political model we would win this darkness on both sides, in which [words indistinct] live and will continue to live.

We should not resort to military force. I think that military force [words indistinct] there is some sort of national drunkenness. The time of drunkenness has to pass, the time of the hangover. When they sober up, they will be ready to be reintegrated into Bosnia.

Therefore, the first stage is to liberate the parts where the majority Bosnian population used to live, and to bring the people back. The second stage is to use the strength of our political model to win.

NATO Eyes Croatian Violations of No-Fly Zone

AU1911081593 Paris AFP in English 0300 GMT
19 Nov 93

[Text] Naples, Italy, Nov 19 (AFP)—NATO is poised to clamp down fast on Bosnian Croat militiamen parachuting munitions to their ground troops by helicopter in defiance of a UN no-fly zone over Bosnia, the head of the allied enforcement operation warned Thursday [18 November].

U.S. Admiral Jeremy Boorda, commander in chief of the Allied Forces Southern Europe (AFSOUTH) and of NATO's Operation Deny Flight, said the North Atlantic Treaty Organisation could soon deploy its own helicopters to counter the violations.

Initially, helicopters violating the United Nations no-fly zone had only transported civilians or war wounded, or carried out missions of little military consequence, Boorda told journalists in this southern Italian city.

But the UN Protection Force (UNPROFOR) revealed Monday that helicopters of the Bosnian Croat militia, or HVO, during the last two weeks had air-dropped munitions and other supplies to their ground forces in the central Bosnian region of Vitez, where fighting has erupted between the HVO and the mainly-Moslem Bosnian Army.

Boorda said: "Things have been dropped from helicopters in areas of conflict. That reflects a changing pattern of warfare."

"We need to... choose how we are going to respond to that in a responsible way," he said, adding that NATO command was sufficiently flexible to adapt to the changed circumstances either by deploying its own helicopters or using other methods to counter the Croats.

"I would expect we will do that very quickly," he said. NATO and UN commanders have already met to formulate a coordinated response to the illicit air-drops.

Naples-based NATO planes from the United States, France, the Netherlands, Turkey and Britain have enforced the no-fly zone since April under Operation Deny Flight, which was launched in accordance with a UN resolution passed in October 1992. Only helicopters continue to ignore the flight ban, which NATO says was violated 250 times between April and October.

Boorda commands both Operation Deny Flight and Operation Sharp Guard, the Adriatic-based surveillance of the international embargo against Serbia being carried out in conjunction with the Western European Union. Boorda said Operation Sharp Guard was "working very well now" after early teething troubles.

Stoltenberg Addresses UN on Peace Prospects

LD1911020393 Belgrade TANJUG in English 0014 GMT 19 Nov 93

[Text] New York, Nov 18 (TANJUG)—U.N. mediator on former Yugoslavia Thorvald Stoltenberg on Thursday indirectly accused Bosnian Moslems of sabotaging the peace process by asking for more every time their Serb and Croat adversaries made concessions.

Reporting to the U.N. Security Council on the situation in former Yugoslavia and chances of peace talks being resumed, Stoltenberg said that peace in Bosnia-Herzegovina depended on the three warring nations there and that the international community could help, but could not solve it for them. He said that four plans had so far been considered and accepted, either partially or fully.

The two latest have been accepted by Bosnia's Serbs and Croats, while the Moslems have discussed them and, in the case of the third, demanded territorial changes and, in the fourth, received territorial concessions, and hinted that they might sign but for one more thing—further territorial concessions, explained Stoltenberg.

Speaking about the chances of peace talks being resumed, Stoltenberg, who co-chairs the Geneva-based conference on former Yugoslavia with E.C. mediator Lord Owen, said that the co-chairmen were of the view that the belligerents should not be invited for further talks unless there was a realistic chance that something constructive might be achieved. Another unsuccessful round would only add to the frustration, he said.

He explained that the U.N. Protection Force (UNPROFOR) in Croatia had managed to neutralise conflicts between Croatia and the Republic of Serb Krajina (R.S.K.), which flared up on two occasions in the course of 1993. Croatia launched offensives against the U.N.-protected R.S.K. in January and September of this year.

The R.S.K. was proclaimed in 1991 by the local Serbs in those parts within the arbitrary borders of Croatia where they are the majority population, in response to Croatia's violent secession from Yugoslavia and disregard for their human and national rights.

Stoltenberg explained the efforts made to calm the situation created after Croatia's aggressions on the R.S.K., but said that the Croatian Government had not implemented the agreed. Despite agreeing to withdraw and the security council's orders to do so, Croatia has not withdrawn from all the occupied territories in the U.N.-protected areas.

Stoltenberg stressed that the situation would be much worse, however, without the presence of UNPROFOR and that the danger of fresh conflicts had not been allayed.

Asks For Respect for Humanitarian Aid

LD1911095093 Belgrade TANJUG in English 0721 GMT 19 Nov 93

[“Pool item”]

[Text] New York, November 18 (TANJUG)—If the warring sides in Bosnia-Herzegovina do not appreciate the humanitarian efforts made by the international community, the United Nations Protection Force (UNPROFOR) may withdraw and help may be suspended, U.N. mediator to former Yugoslavia Thorvald Stoltenberg said on Thursday. If our efforts are not appreciated, we should leave and start dealing with problems elsewhere, he told a press conference.

He again condemned the increasingly frequent attacks on UNPROFOR but was unable to specify which side was responsible for the lives of 69 peacekeepers killed so far in former Yugoslavia, primarily Bosnia-Herzegovina. Stoltenberg added, however, that in the latest two cases it had been the Moslem side and that Moslem leader Alija Izetbegovic had received a protest note in that connection.

The crisis in former Yugoslavia has been relegated from the first to the sixth page in the newspapers, said

Stoltenberg. That may not suit the Bosnian (Moslem) government but it makes talks considerably easier, he added.

Prime Minister of Herceg-Bosna Details Goals

AU1911114093 Zagreb VECERNJI LIST in
Serbo-Croatian 13 Nov 93 p 8

[Interview with Jadranko Prlic, first prime minister of the Croatian republic of Herceg-Bosna, by Patrik Macek in Mostar; date not given: "We Will Protect All Croats"]

[Text] Mostar—We talked to Jadranko Prlic, first prime minister of the Croatian republic of Herceg-Bosna, in Mostar after Mate Boban, president of the Croatian republic of Herceg-Bosna, gave the names of the new ministers.

[Macek] Mr. Prlic, the government was appointed with quite a delay, considering the establishment of the Croatian republic of Herceg-Bosna. Does that mean that you managed to encompass the system of government administration only as late as this?

[Prlic] The HVO [Croatian Defense Council] has managed to encompass the legal system in all its elements and we are definitely not starting from zero. Naturally, the declaration of the Croatian republic of Herzeg-Bosna made it obvious that all that had been accomplished had to be raised to a much higher level, suited to the state.

In certain departments, we created a team of competent people who will be able to provide full social organization, regardless of all political and military problems we are facing.

As a president, I would like to thank all who contributed to the establishment of the Croatian republic of Herceg-Bosna. However, in war, even material becomes exhausted, let alone people, so we desperately needed some refreshment.

[Macek] The government was formed in very difficult times for the Croatian nation. Vares was conquered; there is fighting in Mostar every day. What will be your first goals?

[Prlic] Regardless of the reorganization of authorities, we are trying to alleviate the extent of the ongoing tragedy as much as possible. We are preparing accommodation for all the refugees from Vares who are presently in Kiseljak. We are also trying to provide all that is necessary for those people where they are now.

However, even with exceptional effort and all the help, we cannot receive that new wave of refugees. According to information coming from the Office for Refugees of the Croatian republic of Herceg-Bosna, we will have to request accommodation for some of those people in the Republic of Croatia.

[Macek] One of the open questions of the politics of the Croatian republic of Herceg-Bosna is the problem of the

Bosnian Sava Basin Region. It is a general opinion that this mostly Croatian region has been forgotten. There are even rumors about autonomy.

[Prlic] Not a single part of Croatian ethnic territory is forgotten. As far as the Sava Basin Region is concerned, it is our view, as we have always thought, that a relatively high level of autonomy is needed in relation to the Croatian republic of Herceg-Bosna, which stems from the physical distance. An adequate solution including a sufficient level of autonomy will be found in the new organization of the Croatian republic of Herceg-Bosna, and I do not see any controversies in that. I think that our negotiating positions in the talks about Bosnia-Herzegovina will even be reinforced by a native body that will negotiate on behalf of the Bosnian Sava Basin Region. All misunderstandings are the result of the fact that people who left Bosnian Sava Basin Region a long time ago are most present in the media. No one will ever be able to dictate who will have what positions in the Bosnian Sava Basin Region, but they should find people who will properly articulate the political interests of the Croats living in that area.

[Macek] In light of renewed conflicts between the Muslims and the Croats, do you think that the Croatian republic of Herceg-Bosna will be able to provide protection and equal rights for the Croats in central Bosnia?

[Prlic] Our main thesis was that granting minority rights on the territory of the Croatian republic of Herceg-Bosna would provide reciprocity; that was the basic idea of the establishment of the Croatian republic of Herceg-Bosna. We will try to persist regardless of the behavior of other sides, and we will see what will happen. I do not claim that we did everything possible in protecting the Croats in Bosnia-Herzegovina, but we did take some steps.

[Macek] Do you refer to your talks in Banja Luka and Velika Kladusa? Is Mr. Boban's statement an announcement of a new round of talks?

[Prlic] I visited Velika Kladusa on Sunday and I talked to the representatives of the authorities of the autonomous province of west Bosnia and of the Serbian republic in Bosnia-Herzegovina. I think that one can achieve much more in direct contacts than at negotiations directed by the international community. In any case, there is a large degree of disappointment with the activities of Owen and Stoltenberg.

[Macek] The public was fairly poorly informed about the results of the talks held in Banja Luka. Did you achieve anything?

[Prlic] The significant improvement of the position of the Croats is the concrete result of my visit. For example, the Croats are no longer mobilized by the Serbian Army. Moreover, there has been a lasting cease-fire between the HVO and the Serbian Army. Those are results that show the absurdity of all those discussions about whom you can talk to and whom you cannot. I am the first man, regardless of my nationality, to travel from Mostar to

Zagreb via Banja Luka, Velika Kladusa, and Petrinja, since the beginning of the war. It is still too early to draw any conclusions, but ask yourself what would be the destiny of refugees and HVO members from Travnik, Bugojno, Kakanj, and Vares, had it not been for such talks. I do not care if some people reproach me for holding talks with certain people in certain places.

[Macek] Bearing in mind the fact that, due to military operations, state authorities are dispersed throughout Herceg-Bosna, where will the seat of the Government of the Croatian republic of Herceg-Bosna be?

[Prlc] Mostar is the capital of the Croatian republic of Herceg-Bosna. The government was in Mostar during the entire war and it will stay there.

Paper: Croat Forces Accuse Own Units of Massacre

AU1811090093 Paris AFP in English 0416 GMT 18 Nov 93

[Text] Zagreb, Nov 18 (AFP)—Leaders of Bosnian Croat military forces, the HVO, have accused one of their own units of massacring Moslem civilians in the central Bosnian village of Stupni Do in late October, a newspaper report said Thursday. The newspaper VECERNJI LIST said it was the first time that Bosnian Croat authorities had made such an accusation since war broke out in Bosnia-Herzegovina in April 1992.

HVO officials from Vares, which was captured by mainly Moslem Bosnian government troops in early November, have charged that the mass killings in Stupni Do were carried out by a special HVO unit from Kiseljak led by Colonel Ivica Rajic, according to the paper.

Bosnian authorities have made similar accusations, and United Nations troops who searched the village found the bodies of 25 people who had been either shot, mutilated or burned.

An HVO delegation from Vares last week came to Zagreb, capital of the Croatian republic, to brief authorities here on the fall of their town, located in central Bosnia. The team also met with the U.S. Ambassador to Croatia, Peter Galbraith, VECERNJI LIST reported.

The HVO officials told the paper Colonel Rajic first dismissed all civic leaders in Vares. His partisans then carried out the massacre in Stupni Do and arrested 200 Moslems, as well as some Croats accused of collaborating with government forces, the delegation told the newspaper.

"This triggered a reaction from Moslem forces and spread fear in the Croat community in Vares, which had lived peacefully alongside Moslems for centuries," one of the HVO officials was quoted as saying. The HVO delegation said Rajic then ordered the mass exodus of Croats from Vares and commanded his troops "to burn all key facilities: police headquarters, the mayor's office,

the bakery, the silo, the headquarters of the HDZ (the Croatian political party), the Ponikve Hotel and the HVO offices."

Bosnian Croat political authorities last week said they had sacked Rajic after he had ordered the expulsion from Kiseljak of personnel working for the United Nations High Commissioner for Refugees.

Muslim Army Reports 'Erosion of Morale' in HVO

AU1911124893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 19 Nov 93

[Text] The information provided by the Intelligence Service of the 3d Corps confirms the erosion of morale and rifts among the ranks of the aggressor's soldiers. Two days ago in Vitez there was a clash between the members of the [HVO] special forces and [words indistinct]. These clashes are still under way. There are dead and wounded Ustasha on both sides. The 3d Corps Press Center reports:

[Unidentified correspondent] Ill humor and despair are particularly evident within the ranks of the ustasha units of the so-called Tvrtkoists [Tvrtkovci], who are wandering back and forth between Vitez and Novi Travnik. The local Croatian population is unwilling to take them into their homes because of their arrogance, while ustasha headquarters is denying them food, weapons, and ammunition because they regard them as bad ustasha. The most prominent commander among those who use bullets to keep discipline within their units is Captain Ivica Bagaric. He shoots on the spot anyone who refuses to go to the front line.

Serb-Croat 'Marriage of Convenience' 'Breaking Up'

AU1811201193 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1800 GMT 18 Nov 93

[Excerpts] According to the information of the Bosnia-Herzegovina Army Press Center, the marriage of convenience between Karadzic's chetniks and Boban's ustashas is slowly but surely breaking up.

Karadzic is boasting everywhere that Serbs have not fought Croats in Bosnia-Herzegovina for six months and that they have practically no unsettled issues. However, events on the field demonstrate that all the issues have in fact not been resolved.

The recent good relations between chetniks and ustashas on the territory of Novi Seher, where they had even fought jointly against the Bosnia-Herzegovina Army, have cooled and the Serbian Army has regrouped its troops and taken more favorable positions in the event of armed clashes with the Croatian Defense Council [HVO]. There is the belief on both sides that such a clash is inevitable. There has been discontent among chetniks for a longer period of time because they have to sometimes fight for so-called Herceg-Bosna and help the HVO

of Zepca. They do not believe it is their business to make war and die for the so-called Ustasha state.

Relations between yesterday's allies, chetniks and ustashas, on the territory of Vitez have also become strained. Because the morale among the HVO soldiers has deteriorated, special units have been given the task of disciplining all those who advocate surrender and voice loyalty to the Bosnia-Herzegovina Army. In the Vitez-Travnik region the residents are frantically seeking for ways to leave this area, but special HVO units would not permit this. As a part of their efforts at disciplining they are especially attacking the Serbs who are in the minority. They are mobilizing them by force and then sending this so-called Chetnik Brigade to the most difficult positions. These people are under strict supervision and any sort of disobedience is rigorously punished; each desertion brings retribution upon the family of the deserted Serbian fighter. These and other reports confirm the correctness of the assessments that the alliance between Karadzic and Boban is short-lived and one of convenience. [passage omitted]

The Army press center also reports that the regrouping of Serbian aggressor forces around Sarajevo continues. The residents should not view the current relative lull as a stable situation, furthermore, because relaxation during earlier similar cease-fire spells has been paid for with a high number of casualties. Information obtained by the Bosnia-Herzegovina Army press center suggests that new fierce attacks could take place soon, following standard operational procedure, that is, combining artillery, tank, and infantry attacks. [passage omitted]

Abdic's Plans for Independent Republic Viewed

AU1811174793 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 18 Nov 93

[Branislav Bozic report]

[Text] It seems the proclamation of the autonomous province of western Bosnia was only the first stage of Fikret Abdic's distancing from Alija Izetbegovic and his policy. The first issue of the official gazette of the autonomous province, which came out in Velika Kladusa recently, says that if the cochairmen of the Geneva peace conference agree, the decision on constituting the province will be changed and the republic of western Bosnia will be proclaimed. Therefore, Abdic wants to secede completely from Sarajevo and from, as he usually puts it, Alija Izetbegovic's crazy policy. It seems that he had already sent such an initiative to Geneva and probably received certain feedback signals because he plans—already now, although he still has not proclaimed the republic—to decide independently from Sarajevo about national defense, police, foreign affairs, monetary policy, economic development, schooling, health service, infrastructure, and everything else that makes a state independent.

The 5th Corps of the Muslim Army loyal to Alija Izetbegovic has not managed to defeat Abdic's forces

militarily, although it had an exact order to do so. Moreover, an increasing number of 5th Corps members have been fleeing to Velika Kladusa. Time seems to be working for Abdic, at least as western Bosnia is concerned. Local analysts assess that this fact can encourage other movements for autonomy among the Muslims in central Bosnia.

Abdic's 'Police Regime' Reportedly Using Torture

AU1911121893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1100 GMT 19 Nov 93

[Text] The autonomy-seeking authorities in Velika Kladusa are still conducting their forcible mobilization, and all those who resist are taken to prison by the police. So far five prisons have been opened in Velika Kladusa, in which over 1,000 citizens are suffering torture for expressing in any way their discontent with the police regime of Fikret Abdic. The examples of mistreatment of refugees show how unchecked their brutality is. Emin Besic reports:

[Besic] Over 100 people, refugees from (Bosanska Zupa) have been forcibly mobilized in Velika Kladusa and sent to the front line to fight their own fellow citizens, members of the [Bosnia-Herzegovina Army] 5th Corps. This act by the autonomy-seekers has revolted the [words indistinct] and lodged a sharp protest with international humanitarian organizations. This is Emin (?Besic), reporting from the 5th Corps Information Service.

Commentary on Tudjman's Pledge To Protect Croats

AU1811174993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1400 GMT 18 Nov 93

[Text] Croatian President Franjo Tudjman in his latest public meeting with the chief editors of the Croatian media made grave accusations at the expense of Bosnia-Herzegovina. Our editor Amir Hodzic comments:

[Hodzic] In the aforementioned appearance Tudjman accuses the Government and the Presidency of Bosnia-Herzegovina of being war-oriented and wanting to create a greater Islamic republic at the expense of the Croatian territories in Bosnia-Herzegovina and of announcing the furtherance of war against the Croats. Tudjman further states that Croatia, as the mother country of the Croats, will defend Croatian interests in Bosnia by any means. Precisely such a statement by Tudjman, namely, that he will defend Croatian interests in Bosnia by any means, best attests as to who actually favors war in Bosnia-Herzegovina. It is well known what is being assumed under these means. These means have already been seen in Ahmici, Stolac, Stubni Dol, and on the old Mostar bridge. The international public has already seen all the massacres and crimes.

News agencies have recently been reporting direct Croatian air support to the extremists of the Croatian

Defense Council in Vitez and Gornji Vakuf. This direct violation of the UN resolution imposing a no-fly zone could not be concealed from the international community, just as it would not be possible to dispute the personal documents of Croatian Army soldiers who are dying on the territory of the internationally recognized state of Bosnia-Herzegovina while fighting for Tudjman's greater Croatia.

What is the Croatian territory in Bosnia-Herzegovina that Tudjman is so much concerned about? Surely, the national territory is the property of all of its citizens. Tudjman, as a doctor of social sciences, should have known that. Regarding Tudjman's accusation that there are intentions to form the greater Islamic republic here, we must, among other things, ask what the Muslims and also the Croats, and some of the Serbs in Bosnia-Herzegovina, opted for at the referendum by voting for an independent, sovereign Bosnia-Herzegovina, which would be a civic state of equal nations and citizens? The United Nations has recognized this state, and Tudjman was among the first.

It is also well known what our state delegation has been espousing in the international negotiations on Bosnia-Herzegovina thus far. This state delegation was at Tudjman's instruction, following the Milosevic-Karadzic recipe, called Muslim in Croatia although it has always been multiethnic. The Bosnia-Herzegovina Army is also multiethnic in its makeup and command cadre, and the Bosnia-Herzegovina media also. Tudjman, as a historian, calls the civic, undivided Bosnia-Herzegovina or Bosnian Republic Islamic, expecting that in this way he can turn Europe, that is otherwise not inclined toward Islam, even more against Bosnia-Herzegovina and conceal his aggressive, expansionist, and genocidal actions.

With such statements, Tudjman [word indistinct] the justified request to impose international sanctions against Croatia. The official organs of the Bosnia-Herzegovina should have reacted more resolutely at the aforementioned aggressive Tudjman's words.

Article Warns Serbs Against New London Conference

AU1811160793 *Pale JAVNOST in Serbo-Croatian*
6 Nov 93 p 31

[Unattributed article: "A Bait Skillfully Made"]

[Text] It should be said directly and clearly that all those who support the idea of a new London conference have an anti-Serbian disposition, and this is even treacherous in the case of home politicians. According to the projects designed by the founders of the new world order, which is only a synonym for new colonialism and repression of small states and peoples, a new London conference should reportedly produce a global settlement of the question of the former SFRY. That conference, at which the leading Islamic countries are supposed to take part, in addition to Turkey, the United States, Germany, Austria, and so forth, should deal with and settle the

issues involving some fateful and historic rights of the Serbian people living on the territories that have belonged to that people over many centuries.

We can understand the efforts of the international community, whose impressive name is a cloak for the oligarchy of several bellicose and new colonialist powers of the world, to summon the conference that would most certainly pass a judgment against the Serbs' struggle, endeavors, and rights to live on their own land, and to handle their own affairs themselves, in compliance with their sovereign and inalienable rights.

On the other hand, however, we can clearly see the interest of the treacherous Serbian politicians in agreeing to such a detrimental conference, so that they can later justify themselves before the people. They will say, "We are very sorry, but nothing more could have been done. Still, we have preserved at least Vojvodina and Sandzak, while the Serbian people in Croatia will accomplish their rights in the future, because Croatia agreed to that, and there are also guarantees by the international community...."

Method-Tranquilizer

If the conference takes place, the following things will happen:

1. The Republic of Serbian Krajina [RSK] and its brave and chivalrous Serbian people will remain forever within the borders of ustasha-run Croatia, while in a very short time Serbs will cease to exist on the territory of former Croatia that was created by AVNOJ [Anti-Fascist Council of National Liberation of Yugoslavia].
2. Such a course will disappoint the will of the Serbs in the republic of Srpska and the RSK to have a mutual, unified state.
3. The republic of Srpska will border upon ustasha-run Croatia, instead of the brotherly Serbian state, which will consequently lead to Serbs' leaving the border regions of the republic of Srpska.
4. The method called tranquilizer will make Kosovo and Metohija temporarily remain within Serbia as an autonomous province, but its factual authority will differ in few aspects from the republican authority. As long as Kosovo and Metohija remain within Serbia they will represent a constant excuse for blackmailing Serbia by the so-called international community.
5. The republic of Srpska will remain within the union of the states of Bosnia-Herzegovina, having a wide range of autonomous rights, while its definite destruction will be left for some future time, and some future non-military means, which will last for many years.

What would be the motives of some Serbian politicians to commit the greatest treason against Serbianhood since the Battle of Kosovo in 1389? First of all, because many of those are not Serbs, so consequently they are not committed to Serbian interests. The second category are

those who are Serbs, but are not Serbs in political terms, which is to say, their conduct is anti-Serbian. The third category would be politicians who are either greedy for money, or blackmailed by the international community, threatening them with trials in the international tribunal for war crimes, or perhaps with revealing some discrediting details from their pasts.

Bad Intentions

The republic of Srpska also has no reason either to leave the Geneva conference at which three interested parties are making decisions, or to put its destiny in the hands of foreign factors, which is what Alija Izetbegovic, leader of one of the Muslim factions, hopes for while supporting the idea of a new London conference. The most painful question is that of the RSK, which has been insufficiently assisted, to the shame of the Serbian people, while even more detrimental is the incapability of some RSK politicians, which makes some people suspect them of treason. That it is so is best evidenced by demands for the postponement of the elections, or for autonomies within the RSK. Besides, early this year certain RSK politicians initialed some unfavorable agreements with Croatia, according to which Zemunik [airport], Maslenica [bridge], and Peruca [dam] would be surrendered to the United Nations, which in other words means to Croatia, while the incapability of those politicians to organize the state should not be mentioned at all.

The particular question is: Is it all about mere incapability, or about bad intentions? By obstructing the consolidation of the RSK state, being the state of historic Serbian people, one wants to create impression that the RSK is not able to survive as a state. This theory is widespread precisely among unpatriotic Serbs who neither like, nor want the RSK. On the other hand, the RSK has the territory, the population, as well as the factual authority over them. The RSK has many enviable natural resources, and it borders on supportive neighbors like the Serbian Republic and Yugoslavia. The motives of those who are interceding for the postponement of the elections in the RSK scheduled for 21 November this year are very suspect.

A new London conference offers baits like the so-called Marshall Plan of economic aid to the republics of former Yugoslavia, as well as the easing of the sanctions against Serbia and Yugoslavia. Both baits are very dangerous, because to allow the international community to invest its capital in the Serbian countries at the moment when 10 German marks is quite a fortune or salary for many people, means to sell the Serbian land and interests for a mere trifle. The West has mathematically calculated that it is more profitable to invest a smaller amount of capital in the Serbian countries, in order to ensure the long-term exploitation of their resources, rather than to spend the money on the maintenance of the UNPROFOR [United

Nations Protection Forces] troops in former Bosnia-Herzegovina and former Croatia, on the humanitarian aid given by the Red Cross, or the support to the refugees in the western countries.

Fifth Column

Neither the loosening nor the lifting of the sanctions represent any radical changes, because there is a legal possibility to reimpose the sanctions as early as 10 days after the well-planned Serbian capitulation is signed because of alleged disobedience. The best example for that is Haiti, where the people are being pressured to accept a catholic priest as the ruler, who, according to data of the Central Intelligence Agency, is manic-depressive. A nice example is also Russia, which the United States will help out in the organization of elections in which dozens of banned Russian political parties, as well as several newspapers and TV broadcasts, will not be allowed to take part. By the dissolution of the Russian Parliament the U.S. policy and the U.S. intelligence agencies have scored the greatest victory, because right now, the ratification of the treaty on nuclear disarmament will be decided upon by the new Russian Parliament that will be composed of deputies of member-countries of the Russian Federation, the majority of whom are not Russians.

For that reason Serbs ought to uncompromisingly reject the proposal for a new London conference to be convened, as well as its global and comprehensive approach, and to insist that the question of former Bosnia-Herzegovina be solved through the continuation of the Geneva conference. Furthermore, they ought to support the attitude of the Assembly of the republic of Srpska regarding the prohibition of the presence of foreign troops in the republic of Srpska, either UN soldiers, or NATO troops, which is even worse. If something were to be undertaken contrary to the will of the Assembly of the republic of Srpska, the warning should be given that intruders would suffer many casualties, because that is the only way to make the public opinion of a foreign country wonder: "What are our guys dying for?" The Serbian side does not want to cause those casualties, but in the defense of its holy national interest and freedom it will be compelled to use any means.

In the period up to New Years Eve one should not expect any more significant actions against the Serbian units, but rather some underground activities of the anti-Serbian fifth column.

New General Staff Chief, 3d Corps Commander

*AU181160693 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1400 GMT 18 Nov 93*

[Text] Rasim Delic, commander of the General Staff of the Supreme Command of the Army of Bosnia-Herzegovina, visited Zenica today and effectively carried out the order of the Presidency of the Republic of Bosnia-Herzegovina on the appointment of Enver Hadzahasanovic, commander of the 3d Corps, as chief of the

General Staff of the Supreme Command of the Army of Bosnia-Herzegovina, and Mehmet Alagic, commander of the Operations Group of the Bosnian Krajina, as the commander of the 3d Corps. Here is a report from Zenica:

[Unidentified reporter] The appointment of the new commanders was carried out in the presence of members of the 3d Corps, who were addressed by Rasim Delic. He said that this act represented the cadre and operational strengthening of the Army of Bosnia-Herzegovina.

At this moment, when Bosnia-Herzegovina officially has two aggressors—since Croatian President Franjo Tudjman told the foreign media yesterday that Croatia has the right to protect the interests of the Croatian people in Bosnia-Herzegovina, and that Croatia is at the same time interested in Bosnia-Herzegovina for the geopolitical reasons—we must adapt ourselves for a war in which we are virtually fighting everyone on our own, Delic said. We have known for some time how they are defending their interests and what these geo-political regions are. These have now been only openly identified.

Delic also stressed that the new appointments in the Army of Bosnia-Herzegovina do not represent replacements nor a purge of the staff, but only an expression of the needs for a more efficient work of the command, and thus the units who will have good-quality officers like Hadzihasanovic and Alagic.

The commander of the General Staff of the Supreme Command did not miss the opportunity to explain the departure of Arif Pasalic and Ramiz Drekevic, commanders of the 4th Corps and the 5th Corps respectively, from their duties. This was done at their request, which we approved in the Presidency of the state of Bosnia-Herzegovina. Pasalic has already been nominated for a top post in the Defense Ministry. Drekevic will also have a new post in the republic. As regards Sefer Halilovic and his mistakes, they and their seriousness will be explained by the Presidency of Bosnia-Herzegovina, Delic said.

The ceremony marking new appointments in the 3d Corps, which has transformed itself into a force with more than 20 brigades in one year, ended with Enver Hadzihasanovic, new chief of the General Staff of the Supreme Command, expressing his gratitude to his aides for the work performed so far. Mehmet Alagic, new commander of the 3d Corps, addressed the command, promising that he will do everything in his power to enlarge the free territory of the Republic of Bosnia-Herzegovina.

5th Corps 'Defeated' Western Bosnian Brigade

*AU1811201393 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1800 GMT 18 Nov 93*

[Report by the Information Service of the 5th Corps of the Bosnia-Herzegovina Army]

[Text] In the action of disarmament of paramilitary formations, [word indistinct] units of the 5th Corps have completely defeated the 3d Brigade of the Peoples' Defense of the so-called autonomous region of western Bosnia with its headquarters in Todorovo near Velika Kladusa.

The entire command has been taken prisoner, including the commander of this brigade, two (?Serbian) units, two platoons, and a support unit, which also possessed hill guns and mortars. Two B-1 hill guns and two 82-mm mortars as well as large quantities of infantry arms and ammunition have been seized.

The local authorities in Todorovo and the nearby villages are being (?constituted), while the command of the 5th Corps has called upon the residents to return to their homes. The action of the disarmament of paramilitary formations continues successfully.

In other parts of the Velika Kladusa commune, the authorities of the so-called autonomous province continue carrying out forceful mobilizations with the help of the extreme police, by breaking into homes and taking away people between 16 to 60 to an unknown destination.

'Fierce Battles' for Macak Reported Near Olovo

*AU1811191593 Sarajevo Radio Bosnia-Herzegovina
Network in Serbo-Croatian 1800 GMT 18 Nov 93*

[Report by Velid Djindo from Olovo]

[Text] Fierce battles are being fought for the strategically important and domineering locality of Macak. On that part of the battlefield, the fighting continues at the time of sending this dispatch.

In today's battles, the united units of the 2d, 3d, and 6th Corps of the Bosnia-Herzegovina Army inflicted great losses upon the Krajina, Drina, East Bosnia, and Sarajevo-Romanija Corps as well as upon the militant troops of the Croatian Defense Councils of Vares and Kakanj.

Two aggressor's tanks, two pragas [truck-based weapons system], and an armored combat vehicle have been destroyed, while dozens of enemy soldiers have been killed. According to the latest reports, the fighters of our army managed to resist the last, most powerful attack on the locality of Macak. The regrouping of the aggressor suggests an imminent continuation of what has been, so far, the biggest and most powerful enemy offensive against the invincible Olovo-Vares territory.

Today's great military victories and the firmness of the lines held by the soldiers of our army are the source of our optimism and belief in the total collapse of the offensive that is currently underway.

Fighting in Olovo, Fojnica, Doboj Updated

AU1911102093

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0900 GMT on 19 November carries in its regular 13-minute newscast several reports on the military situation in the republic.

In his report from Olovo, Velid Djindo first recounts the Bosnia-Herzegovina Army's "great victories" yesterday and then adds that "the night and this morning have been marked by sporadic fire with antiaircraft weapons and small arms. The latest regrouping of the four corps of the occupying forces [of the Serbs] reinforced with HVO [Croatian Defense Council] units from Vares and Kakanj hint at a prompt resumption of the fierce enemy offensive. The lines of the Bosnia-Herzegovina Army 2d, 3d, and 6th Corps are completely stable and impregnable."

The Bosnia-Herzegovina Army 3d Corps reports on the situation in central Bosnia, saying that "the aggressor [the Serbs] and the local ustasha [the HVO] are still attacking Gornji Vakuf and Fojnica, while only sporadic enemy fire has been reported on the other fronts in the operational zone of the 3d Corps." He then describes the situation in Gornji Vakuf yesterday, adding that "over the last three days, two enemy T-55 tanks have been destroyed and a number of HVO soldiers have been eliminated." As for the "ustasha offensive on the Fojnica-Kiseljak fronts, the Bosnia-Herzegovina Army has been responding fiercely to all attacks. Heavy

fighting took place yesterday in which our units achieved more success. By launching a fierce counterattack, they scattered the ustasha forces that were located on Kriz over (Rasac), so this position is now firmly in the hands of the fighters of our army."

Reporting from the Doboj front, Mirudin Aldobasic says that "there were small arms provocations along the defense line, particularly in the region of Putnikovo Brdo, (Caruse), Ularice, and part of (Maslenovac), and several shells landed on the civilian targets of the free Doboj territory yesterday and overnight. Attacks intensified after 2200, so the tormented, suffering, and hungry population spent the night in the shelters." He says that "the humanitarian situation is dramatic, as no humanitarian aid has reached this area with some 30,000 refugees for over eight months. As many as five people have died of hunger and the cold over the last few days, while people are dying in hospitals even from the most curable of diseases."

Correspondent Viktor Boban describes the situation in Zavidovici overnight and this morning as "quiet." However, the people in this area, he says, have "two more bitter enemies: hunger and the cold. The last reserves of food are disappearing and no help is in sight."

In his report from the Zvornik front, Nijaz Banjanovic says that "the night on the free territory passed in relative quiet. There was only some provocative small-arms fire on our front lines. This morning is also quiet with sporadic small-arms fire."

Croatian Army Reportedly Shells RSK*LD1911132193 Belgrade TANJUG in English 1240
GMT 19 Nov 93*

[Text] Knin, Nov 19 (TANJUG)—Croatian troops opened fire from all available weapons throughout the Biograd hinterland, in the southern part of the republic of Serb Krajina (RSK), after 08:00 hours local time on Friday [19 November], the RSK Army General Staff said.

The target of the first attack was Pristeg, but shortly after the Croatian side opened fire all along the front line, between Smiljanic and the bay of Novigrad, according to the same source.

"The Croatian Army resumed the operations launched on the northern Dalmatian front on Thursday, despite the oral agreement between the commanders of the RSK Army Corps for the area and of the Croatian Army's 'split' military district on the cessation of hostilities," the RSK military communique said.

The oral agreement on the cessation of Serb-Croatian hostilities on the northern Dalmatian front went into effect on Monday.

The Croatian side has called for talks on the cessation of hostilities also in the western RSK, that is, in the area under the command of the RSK Army's Western Slavonia Corps, RSK military sources said. The talks, to be mediated by U.N. Protection Force (UNPROFOR) representatives, are to open on Saturday, according to the proposal.

Local agreements on the cessation of hostilities have been signed so far for the area of Kordun in the northern part of the RSK and for Baranja in the eastern RSK.

The Krajina-Croatia war broke out three years ago because of the secessionist policy of the regime in Zagreb and its attempts to deny the Serbs in Croatia the status of a nation. The RSK was proclaimed in 1991 and it comprises predominantly Serb populated parts of the former Yugoslav republic of Croatia.

The RSK was proclaimed a U.N. Protected Area (UNPA) in March last year, but that has not prevented the Croatian army from carrying out aggression against it three times since, always at a time when internationally mediated ceasefire talks have been under way.

Vollebaek: Croatian-RSK Talks To Resume Shortly*LD1811145093 Belgrade TANJUG Domestic Service in
Serbo-Croatian 1246 GMT 18 Nov 93*

[Excerpts] Knin, 18 Nov (TANJUG)—Knut Vollebaek, assistant to the cochairs of the conference on former Yugoslavia declared in Knin today, after talks with Serb Krajina in Croatia Prime Minister Djordje Bjegovic and members of his government, that the resumption of the Krajina-Croatia dialogue can be expected soon.

It is important, he told reporters, that both sides have agreed that the most important issue at this moment was the cease-fire. This would be followed by economic and humanitarian problems, and finally political questions and relations between the two sides.

Vollebaek assessed the interrupted dialogue in Oslo as useful because this clearly identified the issues to be discussed and because the warring sides had met after several months. [passage omitted]

The information ministry of the republic of Serb Krajina [RSK] issued a statement after the talks with Vollebaek, saying that separation lines and UNPROFOR's [UN Protection Forces] deployment between the warring sides should be determined in continuation of the cease-fire negotiations with Croatia.

These are questions of paramount importance for Krajina because their resolution would create conditions for negotiations on issues of mutual interest for the two sides.

The Knin government—that is its negotiating team—reiterated the importance of abolishing Article 12 of Security Council Resolution 820 on the embargo against Krajina. Without the lifting of the embargo, no significant results can be expected in the talks on economic issues, the statement says.

As far as the negotiations on a cease-fire and the separation of the warring sides are concerned, the Krajina government expressed readiness for a compromise, with respect for the general principles enshrined in the Krajina assembly's negotiating platform.

Tudjman Accuses Italy of Favoring Serbia*BR1811155093 Rome LA REPUBBLICA in Italian
18 Nov 93 p15*

[Unattributed report: "Tudjman Accuses 'Imperialist Italy'"]

[Text] Zagreb—Croatian President Franjo Tudjman has expressed surprise at comments made by Italian Foreign Minister Beniamino Andreatta, in which he mentioned the possibility of extending the existing embargo to include Croatia. He accused certain Italian political circles of "imperialism." Appearing on Croatian television, Mr. Tudjman said "such statements are surprising because Italy had shown its willingness to maintain friendly relations with Croatia at all levels." Tudjman reminded viewers that Italy was not mentioned in the peace plan presented two weeks ago (according to Tudjman, the countries that should guarantee any possible peace agreement should be France, Germany, the United States, Russia, Turkey, and Great Britain). Tudjman explained: "I purposely omitted Italy from this list. It was Italian generals who advised the Serbs on how to capture Zara, while a certain Italian senator (Arduino Agnelli of the PSI [Italian Socialist Party]—LA REPUBLICA editor's note) attended the Serbian assembly in

Krajina." According to the Croatian president, this is "the expression of the derision felt for us in Italy and the general preference for Serbia over Croatia; the old World War I policy of Serbian and Italian imperialism."

The Croatian president added that these are constant trends "in some Italian political circles, even if they do not appear to be the official line of the Italian Government." Tudjman went on to warn: "We must take these trends seriously, especially in Istria where there is an Italian minority, albeit small, and where all these ideas could well take root."

Granic: EU President Supports Tudjman Initiative

LD1811184193 Zagreb Radio Croatia Network in Serbo-Croatian 1600 GMT 18 Nov 93

[Text] Mate Granic, Croatian vice president and foreign minister, and Willy Claes, Belgian foreign minister and president of the European Union [EU] Council of Ministers, talked in Brussels today about peace initiatives regarding solutions to the crisis in the former Yugoslavia.

As Granic said after the meeting, Croatia informed the EU president about the level below which it could not accept any offer linked to the French-German initiative. This is naturally Croatia's territorial integrity and sovereignty, which by no means can be questioned, Minister Granic pointed out. On the contrary, its sovereignty must be prominently featured in any offer, he added as he was explaining the initiative that will be discussed on 22 November by the EU Council of Ministers.

The Croatian minister stressed in particular that President Tudjman's peace initiative was well-timed as it conveyed a clear and unambiguous message. He stressed that the president of the Council of Ministers regarded President Tudjman's initiative as very realistic and inspirational for other initiatives. I believe that this is a very interesting and valuable plan, including a large number of elements that can be incorporated into a peacemaking agreement, Willy Claes said after the talks.

The message presented by minister Granic is very important and may be used as one of the most important elements that we will try to arrange on 22 November, Claes said and added that the European Twelve would decide on this matter in full agreement with Washington and by maintaining permanent contact with Moscow. Minister Granic said that in the course of the meeting, the situation in Bosnia-Herzegovina had also been discussed, as well as the reasons behind the conflict between the Muslim and Croats and the whole humanitarian problem. He added that Croatia had given firm assurances that it would continue its activities along the same path, i.e. it will contribute to compliance with warfare humanitarian law and particularly regarding safe passage for humanitarian convoys.

Granic Meets With NATO Secretary-General

LD1911120593 Zagreb Radio Croatia Network in Serbo-Croatian 0900 GMT 19 Nov 93

[Text] Croatian Foreign Minister Mate Granic met with NATO Secretary-General Manfred Woerner's political adviser Von Moltke at NATO headquarters in Brussels. The talks centered, among other things, on President Tudjman's peace initiative as well as other peace initiatives, especially the French-German proposal. The two men also discussed the draft plan which the European Twelve are expected to make public following the European Union's ministerial meeting on Monday [22 November].

In his talks with NATO's representative, Minister Granic pointed out that Croatia will not accept the plan for resolving the crisis in the region of former Yugoslavia if it does not receive firm guarantees for its territorial integrity and sovereignty, if a cease-fire is not signed, communications established, and other issues resolved.

Customs Zone Established With 'Western Bosnia'

AU1911111593 Rijeka NOVI LIST in Serbo-Croatian 15 November 93 p 9

[Report by Tihana Tomicic: "Autonomous Province of West Bosnia Free Zone in Rijeka"]

[Text] Rijeka—An interstate agreement between the autonomous province of western Bosnia and the Republic of Croatia will regulate relations concerning the establishment of a customs free zone of western Bosnia in Rijeka and in the port of Rijeka. On the basis of that agreement, Croatia will adapt its laws and regulations, and the city of Rijeka and the representatives of western Bosnia will arrange all the details concerning the use of technical possibilities for establishing the free zone in Rijeka through a task force, which will prepare all the necessary material in 15 days and present a plan to use Rijeka's port capacities for the needs of western Bosnia.

That was the conclusion of a meeting between [autonomous province of western Bosnia] Fikret Abdic, president of the autonomous province of western Bosnia; his associates; Rijeka Mayor Slavko Linic; Josip Roje, the head of Primorje and Gorski Kotar County; and Rijeka's businessmen, who are directly involved in the project for establishing the free zone of western Bosnia in Rijeka. The meeting was held yesterday in the Rijeka's City Hall.

On that occasion, Fikret Abdic pointed out that he personally represented two main orientations in Geneva. First of all, the goal was to provide as much as possible territory for the Republic of Bosnia and then to organize that territory and make it comfortable to live in. Abdic added: "With that in mind, we would like to create a customs free zone in Rijeka as the third stage of the survival and development of western Bosnia." All the meeting's participants agreed that this is in the interest of Abdic and his autonomous province but also in the

interest of the Republic of Croatia and Rijeka, and they concluded that all the necessary elements for establishing the free zone are present. The free zone would mainly use the already existing port capacities, as well as capacities—for example, infrastructure—of the oil refinery and other firms, and "Trans Adria" would be the main shipping agent, licensed to protect the interests of western Bosnia.

Furthermore, Abdic announced the possibility of Western Bosnia investing in other ambitious projects in Rijeka, like the World Trade Center, because, as he said, "We will use all capacities of Rijeka as well and it is in our interest to see that Rijeka develops."

Krsto Pavic, president of the Rijeka Regional Chamber of Commerce, emphasized that the Chamber has already researched the idea of establishing the free zone, that the basis for this initiative already exists, and that this will considerably shorten the procedure of establishing the free zone. Josip Stefan, general manager of the "Port," said that there should be no problem in realizing this initiative, since people working on it have known each other from before and some minor problems could only occur concerning some practical, technical problems—for example, concerning exterritoriality of some parts of the port.

Fikret Abdic concluded the meeting by saying that the model that will be applied for establishing the free zone in Rijeka could later be used in the port of Ploce—which there have been quite a few tensions and conflicts between Izetbegovic's Sarajevo authorities and Zagreb, and the customs free zone in Ploce, without any territorial pretensions, but respecting the sovereignty of the Republic of Croatia—is an ideal solution for the connection of the Republic of Bosnia with the world.

U.S. Opposition to French-German Plan Viewed

*AU1911065693 Zagreb VJESNIK in Serbo-Croatian
12 November 93 p 1*

[Commentary by Stjepo Martinovic: "To Encourage the United States!"]

[Text] After the U.S. slap in the face to the German-French "global concept" for resolving the crisis on the territory of former Yugoslavia, the British Foreign Office also hit out at that concept as if it were a dead donkey. Therefore, it seems that the initiative of diplomacies—which, at the same time, wanted to deny slanders about the immature foreign politics of "the 12" and install themselves as a two-member ministry of foreign affairs for the fledgling European Union—is not accepted in the only place that can provide a crucial impulse for the UN to take over the patronage of the Bosnian-Parisian stew.

Therefore, no matter how hard [German Foreign Minister] Klaus Kinkel and [French Foreign Minister] Alain Juppe, in the fourth item of the initiative, tried to disassociate themselves saying that "those views are not final," this indicates that the United States and Great

Britain's ultimate lack of trust in the proposal, which destroys everything those two countries have managed to build on the crisis territory of former Yugoslavia. Washington, convinced that regional stability cannot be restored without breaking the memorandum project, cannot accept lifting sanctions in exchange for 3 percent of the territory that the Serbian war machine conquered in Bosnia-Herzegovina. Furthermore, the United States is aware of the fact that a gallant preselection pardon to Milosevic would break the plausibility of every opposition party in the FRY, and indefinitely postpone the decay of a regime burdened by social cataclysm.

In London, the anxiety is of a different kind: Traditionally unlikely to accept initiatives originating from continental Europe, British diplomacy does not want to release the reins used by [Conference on Yugoslavia] Carrington and Owen to direct the "Yugoslav crisis" toward the numbness caused by the mutual exhaustion of "enraged nationalisms"—and disappointment that the French have joined the Germans is also obvious.

Croatia has already expressed dissatisfaction with Kinkel and Juppe, who refuse to put more pressure on Milosevic than necessary to make him "respect the modus vivendi in the occupied Croatian areas." However, exactly that relativisation of the rights of Croatia to reintegrate its territory—which also relativizes the cause of Serbian aggression on Croatia and, indirectly, on Bosnia-Herzegovina as well—reveals the German-French initiative as a rigmarole of half-baked "visions." Perhaps that constitutes the basis for Washington's encouragement of opposition persistence.

Serb Delegation Wants Changes to UNPA Borders

*AU1711165093 Belgrade Radio Beograd Network in
Serbo-Croatian 1400 GMT 17 Nov 93*

[Text] The representatives of Western Slavonia held a news conference in Belgrade. Veljko Vukelic, vice chairman of the assembly of the republic of Serbian Krajina; Stevo Ratkovic, president of the Working Commission for the Drawing of Territories of the Serbian region of western Slavonia; and Director of the Geodetical Board Mihajlo Trifunovic informed the journalists that they would demand from the international community that the pink zones also entail some territories that comprise the Serbian ethnic territory but that have remained outside these zones for the time being. Dragoljub Stankic reports:

[Begin recording] [Stankic] The Serbian ethnic territory in western Slavonia includes the territory between the Sava and Drava Rivers, and the people know it by the name of little Raska. Some 100,000 Serbs lived there before the war. Before the exodus and suffering in the latest war, this used to be, ethnically, the purest territory of the Serbs. Despite great suffering, the people have organized themselves and formed civilian authorities.

This region was also incorporated in the institutions of authority of the republic of Serbian Krajina, Veljko Vukelic said.

[Vukelic] The Assembly of the republic of Serbian Krajina, at its latest session, passed a decision about the Serbian ethnic territories in the west and the state territory of the republic of Serbian Krajina. I hope that, in this way, these territories have been defined once for ever. I believe that nobody will have the moral right to manipulate with speculations as to whether this region will be given to the Croats, exchanged, and so forth.

[Stankic] The compactness of the Serbian territory has been fractured since World War II. At present, the international community has divided the Serbian territories by the so-called UN Protected Areas [UNPAs]. As Stevo Ratkovic pointed out, these zones comprise the territories east of Novska and west of Nova Gradiska, however, parts of the communes of Orahovica, Slavonska Pozega, and Podravska Slatina, where the Serbs have always lived and owned land, have been left out of them. The Krajina assembly has marked this territory as its own, and, as Mihajlo Trifunovic said, nobody in western Slavonia will give up these territories.

Asked about the future of western Slavonia, Stevo Ratkovic answered:

[Ratkovic] After great evil and the most horrible suffering that has been known on the territories of the former Yugoslavia, which we from western Slavonia witnessed, I tell anyone, and it is perfectly clear to us, that we can no longer talk with our current enemies as

potential citizens of the same state community. Therefore, in brief, coexistence is not possible and delineation from the Republic of Croatia on the territory of western Slavonia imposes itself as an imperative.

[Stankic] To recap, the Serbs in Krajina currently hold Okucani and a part of the Pakrac commune, where some 40,000 Serbs live. [end recording]

Socialist Party in Krajina To Run in Elections

*AU1911115993 Belgrade BORBA in Serbo-Croatian
18 Nov 93 p 5*

[Unattributed report: "Socialists Form Party in Krajina"]

[Text] Last week the Serbian Party of Socialists of the republic of Serbian Krajina was formed in Beli Manastir. The inauguration assembly (attended by some 20 people as many could not come "due to poor weather conditions") was organized behind closed doors and was not even noted in the media. The foundation of the Serbian Party of Socialists of the republic of Serbian Krajina was attended by future members from eastern Slavonija, Baranja, and northern Dalmatia.

Petar Skundric, and guests Goran Percevic and Radovan Pankov spoke about the program of the newly-formed party. Some members of the main committee were elected on that occasion, while—as BORBA found out unofficially—the chairman of the party and the rest of the members of the main committee will be elected at one of the future sessions. There are also unofficial claims that this party would be "seriously involved in the coming elections in Krajina."

Defense Commission Debates Military Funds

*AU1811202093 Ljubljana Radio Slovenia Network in
Slovene 1430 GMT 18 Nov 93*

[Excerpt] The members of the Parliamentary Defense Commission met in a partially closed session this morning. They discussed the proposal of the law securing funds for the realization of fundamental development programs of the Slovene defense forces from 1994 to 2001. Robert Skerjanc reports:

[Begin Skerjanc recording] The proposal of the law that consists merely of five articles speaks about securing funds necessary for the realization of the basic development programs in the sphere of anti-aircraft and anti-armor defense, a system for the supervision of air space and communications, and in coastal defense.

In simple terms, the law speaks of funds with which we would purchase aircraft, helicopters, medium range anti-aircraft rockets, and most probably also a ship that would provide security in Piran Bay.

What exactly is supposed to be purchased is written in the introduction and explanation to the law, however, this part of the law is highly classified.

More interesting are the reactions of deputies, that is to say, commission members expressed in today's debate. They all stressed that we need funds intended for long-term armament, but each of them doubted whether the manner employed, that is through this law, is correct. The members were bothered the most by Article 3 of the law, which says that funds will be secured from the budget from loans. This part of the law is also worded, to use the expression of [Defense] Minister Jansa, somewhat [word indistinct] as it made it possible that the funds be spread over eight years, that is to say, that the budget be burdened only when the annuities need to be paid. This, therefore, means that Slovenia will purchase certain systems immediately and pay for them later.

Evidently, the members of the Commission did not understand this perfectly. Some of them were of the opinion that this sort of payment does not have a constitutional and legal basis and, thus, decided that the Social Accounting Service should also pass its opinion on it. Despite some doubts and criticisms, the law will definitely be passed, because Minister Jansa has stated that, at yesterday's meeting of the coalition, they had agreed to pass the law in summary procedure. [passage omitted] [end recording]

Federal

Border Command Denies Entering Macedonia

LD1811144293 Belgrade TANJUG in English 1256
GMT 18 Nov 93

[Text] Belgrade, Nov 18 (TANJUG)—The Yugoslav Army Border Command on Thursday [18 November] denied that its soldiers on Wednesday went into the territory of the former Yugoslav Republic of Macedonia (BJRM) where they had allegedly abducted two policemen and one soldier.

A statement released by the Yugoslav Army General Staff said that on Wednesday morning in the Yugoslav territory a border patrol seized and disarmed a Macedonian patrol on the Yugoslavia-BJRM border in the Miratovac region. The patrol was made up of two armed policemen and one soldier, who had two radio-stations with them. They were caught about 150 meters off the border on the old Kumanovo-Vranje road.

After an investigation, the caught border patrolmen were brought back to the BJRM authorities.

Assistant Interior Minister of the BJRM Pavle Trajanov confirmed on Wednesday that three members of the Macedonian border patrol had been brought back to the country.

In Skopje's version of the incident, the joint patrol of the Macedonian police and army found itself on the scene of the incident with an intention to prevent oil smuggling from one to another country, when it was allegedly assaulted by three-men groups and took them to Yugoslavia where they were examined. Trajanov said that an investigation on the ground was underway, to be resumed on Thursday.

After the imposition of the unjust U.N. sanctions on Yugoslavia, numerous smugglers from both countries illicitly pass the border, bringing goods and food deficient in Yugoslavia or in Macedonia.

Kontic: Croatia Refusing To Cooperate on POW's

LD1811222493 Belgrade TANJUG in English 2116
GMT 18 Nov 93

[“Pool” item]

[Text] Belgrade, November 18 (TANJUG)—Prime Minister of the Federal Republic of Yugoslavia Radoje Kontic has informed United Nations Secretary-General Butrus Butrus-Ghali that Croatia is refusing to cooperate with Yugoslavia in the exchange of prisoners of war, the search for missing persons and the exhumation of bodies.

In a letter, whose copy TANJUG received on Thursday [18 November], Kontic said that Croatia had signed agreements to that effect in Geneva and Budapest.

Croatia avoids to give Yugoslavia information about the fate of 50 captured members of the former Yugoslav People's Army (JNA) with the POW status whose whereabouts are not known, the letter says.

Zagreb also refuses to give information about the fate of 1,000 members of the JNA and the Territorial Defence who were missing, taken prisoners, killed or crossed to the Croatian side during Croatia's war of secession in 1991/1993, Kontic said in the letter.

The Yugoslav prime minister said that Croatia was unjustifiably holding Yugoslavia responsible for the disappearance of its 13,000 civilians and fighters.

He said Yugoslavia had on its territory only a group of 11 Croatian terrorists, to whom the International Committee of the Red Cross (ICRC) had given the POW status.

Although Yugoslavia does not recognize such a status for the group, it is prepared to exchange them on condition that the interests of the Yugoslav side be also met, Kontic added.

He repeated Belgrade's earlier proposal for the setting up of a tripartite commission (to include representatives of Yugoslavia, Croatia and the ICRC) which would inspect all places in Yugoslavia designated by Zagreb as locations where Croatian prisoners and missing persons are allegedly kept.

Noting that Croatia is also refusing to implement the agreement on the exchange of information about war criminals and their putting on trial, reached by the Croatian and Yugoslav presidents on October 1992, Kontic asked Butrus-Ghali to invest his authority and exert influence on Zagreb to fulfill its duties.

Organizations Pledge Increased Aid to FRY

LD1811161293 Belgrade TANJUG in English 1400
GMT 18 Nov 93

[Text] Belgrade, Nov 18 (TANJUG)—After the repeated dramatic reports about an increasingly difficult situation in which refugees find themselves, government officials of the Federal Republic of Yugoslavia (F.R.Y.) have said they have received promises that the international humanitarian aid will be intensified.

Greater deliveries have been announced on Thursday by the advisor of the International Federation of the Red Cross and the Red Crescent for Refugees in Europe, Martin Jacques and the coordinator of the Geneva-based International Council of the Voluntary Organizations for aiding former Yugoslavia, Alain Siemens during their meeting with the deputy Yugoslav minister of health and social welfare, Svetlana Arsenic.

An operational group made up of 22 nongovernmental humanitarian organizations for assistance to former Yugoslav Federation was formed, a statement said. A mission, whose task is to establish the most appropriate

forms of offering aid to all former Yugoslav republics is currently on a visit to Serbia and Montenegro, which constitute the F.R.Y.

The Yugoslav Government has intermittently warned this year that the international sanctions are applied to humanitarian aid as well, although this field is exempted from the resolutions carried by the Security Council against the F.R.Y. in May last year and later tightened on two occasions.

According to president of the International Committee of the Red Cross Cornelio Sommaruga, in bureaucratic procedure, the U.N. Sanctions Committee hinders deliveries of medicaments and food to the F.R.Y.

In addition to 10.4 million of its inhabitants, the F.R.Y. cares for an unofficially estimated 800,000 refugees from the war-torn former Yugoslav republics. More than 90 percent of the refugees are accommodated in private homes, themselves on the brink of sanctions-induced poverty.

U.N. High Commissioner for Refugees Sadako Ogata said earlier this week that most of the refugees from the former Yugoslav republics had fled to Serbia, and that they were not receiving sufficient humanitarian assistance.

Commentary Assesses U.S. Foreign Policy

*AU1811150693 Belgrade POLITIKA in Serbo-Croatian
11 Nov 93 p 2*

[Commentary by Milan Mistic: "Fatigue of Interventionism"]

[Text] After much wandering in the complicated post-Cold War environment, it seems that the Clinton Administration has started to straighten the course of its foreign policy. New diplomatic priorities that have been defined these days in Washington reveal the undisputable desire to calm the situation and to bring a much greater amount of pragmatism into the strategic orientations of the dominant military and political power of the world's foreign policy by lowering the temperature of interventionism.

So what is such a sequence of international problems that are important for the United States supposed to mean, particularly in view of the fact that the promotion of U.S. interests has always been the major priority? The bilateral and multilateral questions like the support to the reforms in Russia, the maintenance of the Atlantic and Pacific alliances, and curbing the proliferation of nuclear arms are only secondary priorities, whereas the crises that are hitting the headlines—Bosnia, Somalia, and Haiti—are only at the tail end.

Firstly, that sequence could speak for yet another sober awakening from the illusion that since the rival bloc disappeared, and the major strategic conflict was removed, the order in the world has become quite simple

to keep. The supposition was that the demonstration of military force in the role of a global policeman—by direct involvement or a convincing threat—would be enough to halt some local crises, and prevent their taking the proportions of a broader conflict.

However, the bitter experiences in Bosnia and Haiti have shown the real limitations of the great-power policy in local conflicts of that kind. The impression has been created that the interventionist therapy was prescribed without a well-founded political diagnosis, or at least without adequate understanding of the history, causes, and essence of those local conflicts. In Bosnia the presumption was that there are a priori aggressors and victims, in Somalia there was the delusion that the clan war could be pacified by favoring one clan of feudal leaders at the expense of the other, in Haiti there was the wrong conviction that the national oligarchy would consent to handing over power to the powerless opposition....

Such a huge military power as the United States possesses, with impressive technology and intimidating arsenals, was created above all to confront the equivalent rival, that is the Soviet Union, in a total war. That power has proven itself ineffective in the peace missions in which total war is neither realistic nor appropriate. After all, that had become clear even before the most recent experiences (the fiasco in 1982 in Beirut), while in Somalia and in Haiti it became indisputable. "It is self-evident that we cannot solve all the problems in the world," President Clinton admitted himself in the recent interview to the WASHINGTON POST.

In a certain way Clinton thereby downgrades foreign policy on the list of the priorities during his mandate. However, it is too early to speak of a new U.S. isolation on the basis of such statements. The United States is not giving up its ambition to shape the world according to its own design. The change is that in such a process the use of military force will be more selective and limited in the future.

This means as well that the United States will be more persistent in the implementation of other attributes of its power: its influence in the Security Council and the use of its leading role in military alliances and multilateral international forums. The actual result will certainly be more frequent orientations toward the imposition of economic sanctions, and stronger insistence on their enforcement, in order to make the impression that despite the military inactivity, something is still being done.

The most recent statements by U.S. officials regarding the maintenance of the sanctions against the FRY at any price can also be viewed in that context. When speaking of any great power, interests are always ahead of principles.

Union Denies Plans for Coalition With Communists

AU1811191193 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 18 Nov 93

[Text] The Union of Workers of Yugoslavia has denied that the Union of Workers of Serbia had joined in a coalition of the United Left together with the League of Communists—Movement for Yugoslavia, the National Front, and the League of Youth—Movement for Yugoslavia in order to run in the parliamentary elections together.

The Union of Workers of Yugoslavia, that is, the Republican Committee of the Union of Workers of Serbia will run in the parliamentary elections independently in four constituencies according to financial possibilities, it is said in the announcement of the Union of Workers of Yugoslavia.

Serbia

Social Democratic Party To Run in Elections Alone

AU1811193893 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 18 Nov 93

[Text] The Social Democratic Party is going to take part in the December elections independently, with lists in all nine constituencies, it was said at the party's regular news conference. In seven constituencies the lists are going to be headed by Party Chairman Momcilo Trajkovic, while in the constituencies of Kragujevac and Smederevo, the lists are going to be headed by Professor Ilija Rosic and Jovan Cvetkovic respectively.

According to Momcilo Trajkovic, during the election campaign, the Social Democratic Party is going to do everything to have the dignity of the parties, citizens, and individuals be protected in the political struggle.

Other parties are not our political enemies or adversaries, but our political rivals, and we are going to treat them as such, Trajkovic said.

One of the electoral slogans of the Social Democratic Party is Together Until Solution.

BORBA Examines Makeup of Police Force

AU1811150893 Belgrade BORBA in Serbo-Croatian 12 Nov 93 p 11

[Report by M. Babic: "Obtaining a Baton Through Personal Connections"]

[Excerpts] The real number of police officers in Serbia has never been made public. Whether there are a lot or a few is a matter for open speculation. The only thing that is definitely known is that the lines of police of the Ministry of Internal Affairs of Serbia are being reinforced on a daily basis by new police recruits. Some

people say that they are refugees, while actually they are policemen from other parts of former Yugoslavia who spent a certain time on the front.

According to some unofficial but reliable sources, at this moment there are around 25,000 policemen in Belgrade, of whom around 15,000—or 60 percent—are not from Serbia. If you happen to ask a policeman how to find a certain street in Belgrade, quite often you get the answer: "Get lost, I have no idea where it is!" [passage omitted]

[Box, p 11]

While defending the establishment of the Police Academy, Radmilo Bogdanovic, former minister, stated in the Assembly that our policemen were uneducated: 7.28 percent of those employed have a university degree, 13.32 percent have a college degree, while as many as 79.4 have only a high school or elementary school education. However, in announcing these data, he forgot to state the number of highly educated police personnel who had been forced to resign, pensioned off, or dismissed.

Sanctions Creating Severe Medical Problems

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[Report by Bojana Popovic: "Consequences Worse Than Chernobyl"]

[Text] As a rule the sickest patients end up in one of our country's supreme institutions—the University Clinical Center or the Military Medical Academy. Apart from the names and the knowledge of the doctors, many of whom are of a world-class standard, little confirms the status of the supreme health institutions. The most up-to-date equipment has broken down; there are no spare parts; diagnostic methods are returning to a level of several decades ago; medicine is beginning to be imitated and improvised. Despite the principles of medical ethics (that not one patient is turned away from a hospital's door—many are) patients do not find any medicines in these institutions, or they buy them themselves.

"If there is no 'nimotope' [nimotop], which is given to patients with brain hemorrhages in the first four days, I am obliged to tell the family that I do not have any medicine, but I am also obliged to tell them that they can get it at a private drugstore," Professor Miroslav Samardzic, deputy director of the Institute for Neurosurgery of the University Clinical Center, says. In some situations the families of patients have bought drainage systems, for example, because the institute did not have them. In truth, not one patient has been turned away, but some less urgent operations have been postponed or are being postponed until a later date.

How To Share the Misery

"If such a situation continues we will probably be forced to ask for medicines to be paid for," Dr. Samardzic says.

"In any case, a patient's admission will not depend on payment, as some hospitals are already doing, because this concerns illnesses where a person really can lose their life. Shortages will force us to change some habits. Thus, some doses of medicines are already being reduced because our patients are, unfortunately, serious and they need many medicines—which are constantly in reserve. The situation is the same with hygiene materials, while medical equipment is wearing out, instruments were bought about 15 years ago, and the supreme diagnostic instrument—the scanner—has not been working for quite a while now, and nor has the nuclear magnetic resonator [rezonanca]." Until a year ago, Dr. Samardzic says, we followed the world, while there has now been a clear fall in medical standards.

Professor Sava Subotic, deputy director of the Institute for Cardio-Vascular Diseases at the University Clinical Center, says that there is no minimum standard of treatment and, in this sense, health policy should be reexamined. However, what troubles doctors in everyday practice and what is particularly obvious in "expensive" medicine like heart surgery is the question of ethics. Who to help, who to operate on, or rather, how to share the misery.

"There is no heart operation that costs less than \$2,000. With post-operative care that sum rises to \$4,000," Dr. Subotic says. "The Insurance Office does not have any money, we function on a day-to-day basis—who should be helped then. Even though we behave like an extremely frugal family, the question is how long we can go on like this."

The revered institute for malignant diseases in the FRY—the Institute for Oncology and Radiology—shares the fate of the entire health system. Because of a shortage of diagnostic resources, the rule that is particularly important in this field—the early detection of diseases—has almost ceased to be valid.

"Late detection of malignant diseases means a lethal outcome and because of the impossibility of treatment, because there are no cytotoxic drugs [citostatika], as many as 170,000 patients are in an uncertain situation. The sanctions that have led to a shortage of medicine and the necessary medical material will have consequences that are more serious for the health of our people than the disaster in the Chernobyl nuclear plant," Dr. Miodrag Djordjevic, onco-epidemiologist, warns.

It is a crime to prevent people from being treated in an up-to-date way, Professor Nedeljko Rosic, assistant head of the Military Medical Academy for training, says. This institution has reserves for another month and, as in civilian health institutions, the most up-to-date equipment for diagnosis and therapy is not working. Several days ago, "General Electric," whose equipment we have, informed us that it cannot violate the sanctions and that it will not send us any spare parts.

"Philips" and "Siemens" Are Waiting

Reserves are coming to an end at this institution where, from the beginning of the year to the end of October, 24,871 patients have been treated; where 355,444 patients have been treated as outpatients; where around 22,000 operations, including 13,000 serious ones, have been performed in 16 operating theaters; and where since the beginning of the war 5,778 wounded have been treated with each patient needing an average of three operations. Even though it is planned to continue working by getting by and coping, the fact is that this will not be possible for so long.

"The application of the United Nations resolutions is aimed against a basic human right—the right to medical treatment. It is being said that the sanctions do not relate to medicines and spare parts for medical apparatus, but we are constantly in a situation of explaining to the world that a scanner is not a weapon. Our work has been reduced to humanitarian aid, which mainly consists of parcels from our people abroad," Dr. Rosic says.

Even though the Military Medical Academy is an institution that, to a large extent, produces its own medicines, Dr. Ilija Macic, head of the Institute for Pharmacology in the Military Medical Academy, says that even this production has been undermined because this institution's foreign currency has been frozen by international banks.

"There is a shortage of medicines against infection, for diseases of the endocrine system, cardiovascular diseases, for strengthening the immune system, while the situation is critical regarding rubber and plastic dressings, there are no diagnostic resources, no external fixatives [fiksator]. Sometimes the problem is in resources and sometimes it is in materials—but problems are always present," Dr. Macic says.

According to Zoran Babic, chief technician in the Military Medical Academy, the basic problems are in the nondelivery of spare parts. Although the Philips and Siemens firms have said that they are waiting for permission to import spare parts, they do not have any. Such vital equipment does not work at the Military Medical Academy—two scanners, a laser accelerator for breaking up kidney stones, ultrasound equipment, tomography cameras, iodine pumps. Babic says that the Military Medical Academy has agreed and paid several million dollars to General Electric for a nuclear magnetic resonator, scanner, and angiograph [angiograf]—which have not been delivered nor will be while the sanctions last.

"All this results in a deterioration of people's health, the return of diseases that had been eradicated, and the destruction of medical principles," Professor Ranslav Lazic, head of the internal clinics of the Military Medical Academy, says. How does a doctor feel when a patient comes with hypertension, burning all over, and there is no "favistan." A person wants to jump out the window. There is no asparagin acid [asparaginska kiselina] for

hemophiliacs. It is cynical to suggest to patients that they take many necessary substances with food instead of medicine.

[Box p 11]

Scotch Tape Instead of Sticky Plasters

While explaining the consequences of shortages for the 1,300 patients for whom dialysis means life while only 200 of them get it, Dr. Aleksandar Radmilovic, head of the Center for Hemodialysis at the "Zvezdara" Clinical Center, says:

"Machines that work 15,000 hours work three times longer in these conditions and instead of using sticky plasters to secure the machine's tubes, scotch tape is used and frequently builders tape too."

Montenegro

Work at Largest Iron Works Halted by Strike

LD1811162293 Belgrade TANJUG in English 1518 GMT 18 Nov 93

[Text] Niksic, Nov 18 (TANJUG)—Production of steel at the Niksic iron works, the largest in the Republic of

Montenegro, on Thursday [18 November] came to a standstill due to a railway strike and the impossibility to deliver scrap iron.

As of Tuesday, Montenegrin engine drivers are on a strike, demanding a salary increase and regular wage payments.

The iron works management has announced that till the beginning of December all other plants, with the exception of the combined rolling mill, will be closed as well.

It is expected, as the management said, that production material in sufficient quantities might be provided in next two weeks as it is too expensive to restart the furnaces.

The management assessed that the rail strike is destroying the meagre production which has been maintained with great hardship during the 18-month international blockade.

According to statistics, the production of steel in the Federal Republic of Yugoslavia in the first nine months this year was 15 percent down on the same period of 1989. The main reason for this is a ban of the import of raw materials, production material and energy supplies, as well as a ban of exports.